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DDA 77-0348

Approved For Release 2002/01/10 : CIA-RDP80-00473A000500130001-6

14 FEB 1977

MEMORANDUM FOR: Deputy Director for Administration

FROM : F. W. M. Janney
Director of Personnel

SUBJECT : MAG Paper on Personnel Management dtd 7 Dec 76

REFERENCES : (a) Memo for DD/A fr DD/S&T dtd 2 Feb 77,
re same subj.
(b) Memo for DD/A fr DD/O dtd 31 Jan 77,
re same subj.
(c) Memo for DD/A fr DD/I dtd 31 Jan 77, subj:
Personnel Management

1. Forwarded herewith is a list of proposals made in the MAG paper of 7 December 1976 with a digest of the comments by the DDO, DDI and DDS&T on those points. While not all the proposals were addressed by each of the Deputy Directors, the Directorates were uniform in their opposition to downgrading the status of specialists and to the establishment of an Agency panel or board to manage employees on rotation. They also generally support Agency current personnel systems but make note that better use could be made of them; there is no reference to who should be responsible for the better use.

2. The DD/O's response is the most thoughtful of the three and shows a greater appreciation and understanding of personnel management, per se, as well as an understanding of the employee. The paper reflects the Directorate's longer experience with an established personnel system and gives a more realistic appraisal and evaluation of the MAG proposals. There is evidence of a personnel philosophy and a reason for the management actions. The comments are directed to DDO policies and practices; shortcomings are admitted and note is made of efforts to improve.

3. The DD/S&T's paper covers most of the points in the MAG paper and while noting "unverified generalizations and lack of sophistication in its factual base" is generally accepting of the statements. The paper reflects a desire "to do good," but makes no note of how S&T would go about it except where a policy is already in practice.

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4. The DD/I's paper is the least comprehensive, apparently addressing only those points the DDI wants to oppose or specifically endorse, such as elimination of the grades GS-08 and GS-10. The paper is so brief it offers no glimpse of a personnel management philosophy or direction.

5. Both the DDI and DDS&T papers express concern with the problems cited in the MAG paper, but their replies give a feeling of political response rather than a serious analysis of the proposals. The answers in most instances are simplistic responses to the MAG's simplistic solutions for the employee problems perceived by the Group as management's responsibility.

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[REDACTED]
F. W. M. Janney

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8 February 1977

MEMORANDUM FOR THE RECORD

SUBJECT: Analyses and Comparison of Responses from the DDS&T, DDI and DDO to the DDA Regarding the MAG Paper of 7 Dec 76,
subj: Personnel Management

CAREER DEVELOPMENT

1. MAG - Employee expectations re career development are realistic.

DDS&T - Employee dissatisfaction cannot be traced solely to unrealistic expectations.

DDI -

DDO - Many DDO employees are unrealistic re own careers.

2. MAG - Further Employee Bulletins are not solution to Career Development problems.

DDS&T - Employee Bulletins important but alternate mediums might be explored for supplement.

DDI -

DDO - More instructional paper not needed.

3. MAG - Use the systems we have; APP, PDP, not new ones.

DDS&T - APP and PDP not being utilized in consistent fashion.

DDI - We need to make use of the personnel systems we have, PDP not being used seriously as should be.

DDO - Agency's personnel management systems not sufficiently understood by a great many.

4. MAG - Supervisors should regularly discuss future training and assignments with employees.

DDS&T - Questions whether supervisor has time for regular meaningful discussions with employee re career development.

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DDI - Supervisor not in best position to discuss future and suggests there must be a better way; perhaps a PDP approach.

DDO - Solution is with both supervisors and supervised, employees inform themselves better and supervisors be more candid.

5. MAG - Consult with individuals for whom planning done.

DDS&T - Employee encouraged to submit career planning profile questionnaires and encouraged to discuss development goals with management and career development officer.

DDI -

DDO -

VERSATILITY/ROTATION

6. MAG - Rotations should not be "few," we should aim at 10% (quota system) of professionals at any time.

DDS&T - Rotations on scope of MAG proposal might be disruptive to the mission and the employee.

DDI - I do not believe a quota system would serve the purpose of rotational assignments.

DDO -

7. MAG - Separate career service for those on rotation.

DDS&T - Career management of these employees must remain with the parent service.

DDI - A central rotational career board would not serve a useful purpose.

DDO - A rotatee evaluation board is not judged necessary and would not be fair to home base element.

8. MAG - Rotatee career service or board have power to promote and have strong say in next assignment for those who have reached GS-14 level.

DDS&T - See comments in #7.

DDI - A centralized GS-14 promotion panel would be cumbersome and the benefits are not clear.

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DDO - Prefer assignments of 14s and 15s remain as is but will keep open mind to idea of special board for Agency responsibility.

9. MAG - Orientation responsibility of receiving directorate not OTR.

DDS&T - Receiving directorate should be primarily responsible for training.

DDI -

DDO -

KEY OPERATING OFFICIAL

10. MAG - Directorates should use PDP by name.

DDS&T - Agrees with MAG that PDP is viable mechanism which is growing in acceptance.

DDI -

DDO -

SEPARATIONS

11. MAG - First year should be serious look for possible mistakes, hiring or assignment.

DDS&T - Do everything in our power to reach a judgment within the one year allotted; no three year probation period.

DDI -

DDO - Should reinstitute 3 year provisional appointment.

12. MAG - Statement of competitive ranking should be included in FR.

DDS&T - Including ranking statement in FR needs further review as cautioned by OP.

DDI -

DDO - Board rankings being placed in OPF not recommended.

13. MAG - Get CSC ratings for some of our people

DDS&T - CSC rating appealing but apparently not feasible.

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ADMINISTRATIVE - MANAGEMENT LEVEL

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DDI -

DDO -

ENCOURAGING EXCELLENCE

14. MAG - Wary of senior level "specialists"; costs are high.

DDSGT - Agency definitely needs substantive and functional specialists who do not need to be managers.

DDI - Believe there is room for promotion of managers and specialists.

DDO - See need for senior specialists who are not required to be managers.

15. MAG - Reconsider two-grade promotion for junior professionals.

DDSGT - Supports one-grade promotion.

DDI - Agrees with MAG on two-grade promotion for junior professionals to GS-11.

DDO -

16. MAG - Simplify method for granting QSI's.

DDSGT - Don't agree with MAG that QSI's are difficult to award.

DDI -

DDO - Nothing wrong with present QSI system.

17. MAG - Time-in-grade criteria should not unduly restrict promotion rate nor should it be the basis for promotion.

DDSGT - Agree there is a need to review time-in-grade guidelines.

DDI -

DDO -

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EQUAL EMPLOYMENT OPPORTUNITY

18. MAG - Suggest that in EEO matters management become a "lot more public and a lot more personal."

DDS&T - Suggested MAG approach is not warranted at this time.

DDI -

DDO -

19. MAG - Need one clear and concise paper on all grievance mechanisms.

DDS&T - Issuance of grievance info cannot hurt.

DDI -

DDO - More bulletins and notices would do little good.

EODs

20. MAG - Have Career Service or Subgroup follow up interview at end of first year, not OP.

DDS&T - Year-end interview by supervisor and third party.

DDI -

DDO -

21. MAG - Agency-wide job opportunities should be made known to new EODs to encourage early career planning.

DDS&T - Agrees with MAG on advertising job opportunities.

DDI -

DDO -

22. MAG - Supervisors should be rated on how well they handle new EODs.

DDS&T -

DDI -

DDO - Supervisors would be rated on handling of new EODs.

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23. MAG - Specific clerical training by individual components.

DDS&T - Clerical orientation should begin two months after EOD.

DDI -

DDO - Clerical orientation and training would be accomplished prior to assignments to Directorate.

GENERAL

24. MAG - Use the management systems we have or discard them.

DDS&T - Use and improve current management systems.

DDI -

DDO - Agency's personnel management system not sufficiently understood by a great many employees.

25. MAG - Need new approaches to personnel management.

DDS&T - Should try new approaches to personnel assessment.

DDI -

DDO -

26. MAG - Establish an "Office of Personnel Policy."

DDS&T - Personnel Policy Staff merits further study.

DDI - Office of Personnel Policy deserves further discussion.

DDO - Indirectly states no need for such an office.

27. MAG - Challenges OTR vs external training and says OTR courses could be cut in half.

DDS&T - Disagrees with MAG on both aspects of training question.

DDI -

DDO -

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MAG OR DIRECTORATE COMMENT WITH NO OR LIMITED COROLLARY:

CAREER DEVELOPMENT

MAG - Follow-up on plans.

- Fitness Reports should make explicit reference to future assignments and training.
- Employee should have opportunity to comment on same in FR.
- Two-three years after EOD discuss with "decision maker" future assignments and training.
- Two-three years after their EOD most professional employees should be rotated to a new tour.

DDS&T - Suggest formal counseling each three years on scheduled basis.

DDI - Annual ranking of employees not used systematically.

DDO - Some supervisors do not come to grips with obligations as personnel supervisors.
- Better rating of supervisors needed.

VERSATILITY/ROTATION

MAG - Institutional barriers can only be broken down by rotation at relatively junior grades.

- Rotations should be to dissimilar duties in substantive jobs to develop flexibility.
- Maximum number direct swaps.
- Suitability for rotation part of personnel rating systems.
- Suitability for rotation encouraged to be part of Fitness Report.
- Should be a new board for reviewing/approving all assignments and promotions of all who have reached GS-14 level, an across the Agency look.

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- OTR to emphasize to EODs that they should start looking for next assignment and look beyond initial office and Directorate.

DDSGT - Not necessarily true that rotational assignments break down barriers.

DDI - Problem of rotations could be approached more systematically.

KEY OPERATING OFFICIALS

MAG - Deputies could submit names of persons outside of their own Directorate.

DDSGT - Agrees with MAG that PDP is viable mechanism which is gaining acceptance.

SEPARATIONS

MAG - Low potential should be primary factor for judging employee in first several years.

- For employee with longer service, low potential should not be used as sole basis for ranking.
- New ranking should be told to employee when determined.
- Employees should again be made aware of right to see personnel file.

DDSGT - Low potential must not be used as sole basis of ranking for employee with longer service.

- Fitness Report ratings are inflated due to human factor.
- Review of OPF widely broadcast, now no problem.

DDO - Board ranks should not be in OPF - they would be too prejudicial for a long time.

ENCOURAGING EXCELLENCE

MAG - Professional promotions up through GS-13 too rapid and not selective enough.

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- Promotions should be more selective at all levels.
- Reduce number of managerial positions and create more high-level substantive positions.
- Component managers should be permitted to use their grade structures as they like and decide which jobs are important without much pressure from PMCD.
- Bonus or lump-sum award for superior short-term performance.

DDS&T - Office directors should play a more direct role in determining position grade levels.

EQUAL EMPLOYMENT OPPORTUNITY

MAG - Look for minorities while at least one more year left in college.

- Expedite processing.
- Hire EEO minorities prior to clearance approval and use in unclassified jobs.
- Hire at high school graduation and assist them in college education.
- Strong action should be taken in case of manager unwilling to carry out their responsibilities.

DDS&T - Hire in unclassified position impractical.

- Withhold comment re college assistance pending understanding of type and extent.

NEW EODs

MAG - OP should develop list of questions for use in all follow-up interviews at end of first year.

- New EODs not performing satisfactorily should be tried in other assignments.
- Training courses should be revamped so that they are "short, relevant, and intellectually challenging."

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- All components should have a formal EOD orientation and indoctrination mechanism.

DDO - Would like a three-year provisional appointment.

GENERAL

MAG - Reexamine centralized Office of Training.

OP/Review Staff

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ROUTING AND RECORD SHEET **DD/A Registry**

SUBJECT: (Optional)

MAG Paper on Personnel Management dtd 7 Dec 76

File Personnel 12

FROM:	F. W. M. Janney Director of Personnel 5 E 58, Hqs.	J	EXTENSION	NO.
TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. Deputy Director for Administration				Monan is working on our point by point rebuttal.
2. 7 D 26, Hqs.				Should be done to monan.
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PERS 77-543

DD/A Registry
77-0934

17 FEB 1977

MEMORANDUM FOR: Deputy Director for Administration

FROM : F. W. M. Janney
Director of Personnel

SUBJECT : Review and Comments on the MAG Paper of
7 December 1976 on Agency Personnel
Management

We have reviewed the MAG paper on Agency personnel and career
management and attach herewith our observations and comments as
follows:

- TAB A - General Overview Comments
- TAB B - Specific Comments on Primary Points
- TAB C - Specific Comments on Secondary Points

[REDACTED]
F. W. M. Janney

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GENERAL OVERVIEW COMMENTS

The MAG paper is based essentially on their review and critique of Office of Personnel papers submitted to the EAG in October 1976. These included a paper wherein OP shared its initial observations on the then recently received results of the Employee Attitudinal Survey. OP cautioned that our comments at that time did not represent the final product of a full study and analysis of the survey results.

MAG has in many instances construed OP's initial observations relative to the survey as final conclusions and in other areas the selectivity of their comments have distorted the full substance of OP's original presentations. Many of the points identified by the MAG as requiring improvement are well taken and have already been the subject of study including consideration by the EAG.

The paper, however, also includes a number of questionable and unsupportable generalized observations followed by corrective recommendations which we believe would be dysfunctional or counter-productive.

The most important impact of the MAG paper, which seriously impairs its potential value as a professionally objective document, is its generally cynical tone, a disposition toward the negative and concentration on weaknesses and allegations of failures in various elements of the total system. The tenor of the MAG paper also conveys the impression that managers responsible for implementing, monitoring or improving the effectiveness of the system in meeting the needs of the Agency and the individual employee are not seriously concerned nor motivated to disturb the status quo. This is simply not true. It must be recognized that extensive and major changes in the Agency's personnel and career management approach were instituted in 1974 and were essentially designed to update the static approaches of the 1950's to the 1970's. Although the Agency was under external "siege" in the interval from 1974 to the present, creditable effort and improvement in implementation by the Career Services of these new approaches (such as the PDP and the so-called PASG requirements) has been clearly demonstrated and must be acknowledged.

The situation of the Agency's current and future role, missions, authorities, and relationships with the Community, the new Administration and Congress are far from resolved. The input from both the recent Agency-wide Employee Attitudinal Survey and the Morale Survey certainly reflect the concern and unease of our employees as regards the future. In our view, major changes in Agency personnel and career management approaches at this time will not enhance employee morale nor be appropriate until we have a better feel for where we are heading as an Agency.

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We must, however, continue to correct the recognized weaknesses in the current system and, as appropriate, institute meaningful change. We (OP, the MAG, managers, supervisors and individual employees) must strive to cooperatively work together in today's situation with an affirmative emphasis and as optimistic an outlook as possible in using and improving the good elements of the system already in being.

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SPECIFIC COMMENTS ON PRIMARY POINTS

CAREER DEVELOPMENT

MAG (para 2) - Employee concerns about adequacy of career development procedures.

MAG does not agree that the principal problem is one of unrealistic employee expectations or that further Employee Bulletins are a solution.

OP Comment: OP has not identified unrealistic employee expectations as the "principal" problem. The analysis of survey results has identified misconceptions and/or lack of understanding as to "how the system works" as one of the principal areas requiring early attention. The effort to address these issues should include timely issuances and re-issuances of Agency-wide and Directorate informational bulletins and re-emphasize that employees have a responsibility to avail themselves of information already published. Some 37% of survey respondents admitted that they had not read their Directorate's handbook on Personnel Management.

A Headquarters Notice on the attitudinal survey results has been published which acknowledges both the value of employee responses in identification of areas where corrective action is needed and those areas of concern being actively addressed by management.

MAG (para 3) - No need for new systems but use the ones we have.

MAG sees career planning as a joint endeavor with management.

MAG does not see the need for new systems but a need to use the systems we have (PDP and APP), observing that it is the "rare component" that consults the individual for whom it is planning, while MAG is not aware of follow-up action on "any of the plans."

OP Comment: Employee career development in the Agency inherently requires the collaboration, participation, understanding and collective action of the individual, the Career Service representative and the line supervisor. The PDP is essentially a Career Service program designed to be a "living" planning instrument from which actions are taken (i.e., assignments and training) to further develop individual employees toward specific goals.

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The PDP system is specifically designed to provide in reportorial form a document that can serve as the basis for evaluation of the achievement of planning goals for the individuals involved, by both the Head of Career Service and the DDCI himself.

Contrary to MAG's impression that "no follow-up action is taken on any of the plans," periodic monitoring of the Career Service confirms that the PDP is being used as intended. The extent of individual career counseling conducted by the Career Services and Subgroups varies between the services and undoubtedly can be improved and must be emphasized.

The APP is a planning document designed to provide Directorate management with an advance overview of their plan and goals for the prospective Fiscal Year. The APP system, like the PDP, includes a reportorial format for the review and evaluation of the manpower planning of each Directorate by the DDCI. "Feedback" of the Directorate APPs to subordinate managers needs improvement and has been emphasized in the FY 77 DDCI's guidance to the Deputy Directors. The theoretical value of the APP and its pertinence to managerial planning is evident but its preparation and analysis requires a sizable administrative effort. A number of senior managers (Office Heads) do not see the APP as presently formatted as useful to their planning. Top management must address the utilization of the APP program at an early date and decide whether it should be retained, modified or dropped completely.

MAG (para 4) - Career planning needs to be addressed primarily at the level of the immediate supervisor.

Supervisors should discuss career development - both future assignments and possible training - with employees on a regular basis.

Fitness Reports on all employees with less than 15 years service should include explicit references to possible future jobs and possible training opportunities.

OP Comment: As previously stated, employee development involves responsibilities for the employee, the Career Service and the individual's immediate supervisor.

The line supervisor most certainly should discuss career development with the employee but these discussions should be in the context of the Career Service's planning and

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evaluation of the individual rather than limited to the area of the supervisor's immediate purview. The primary focus of these supervisor and employee discussions must be on job performance matters, not on future assignments.

We are not in agreement with MAG's suggestion that Fitness Reports contain explicit references to future jobs. Other than commenting on jobs within their own supervisory jurisdiction - which may or may not be applicable to all of the qualifications or developmental prospects for the employee, the majority of Agency supervisors are not in a position to make such observations. The substitution of supervisory developmental planning for the multiple inputs provided by a Career Service board or panel would limit the identification of prospective future assignments for many employees where their total experiences and qualifications might be better utilized. The Office of Personnel is presently preparing to undertake an in-depth study of the Agency's individual performance evaluation (Fitness Report) and competitive evaluation and ranking system to determine what changes or additions are needed to meet the informational needs of employees, supervisors and the Career Service panels.

MAG (para 5) - Agency policy should be instituted to insure that each employee with two or three years service would discuss career development with the appropriate individual or group likely to make decisions relative to the employee's future. Most professional personnel should be reassigned after a two to three year first tour.

OP Comment: It has been Agency policy since 1973 that Career Services must institute and provide "high-profile" career counseling services for its members whereby employees are given the opportunity for walk-in counseling or for periodic discussions with Career Service representatives on their current status, future job prospects and training needs. As noted by OP previously, the extent of such counseling varies between Career Services and certainly requires emphasis as to its importance.

The length of an individual's initial tour cannot be arbitrarily restricted to a specified time period but must be established according to the nature of the assignment, the needs of the Agency, and the developmental needs of the employee.

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VERSATILITY/ROTATION

MAG (para 6) - DDA suggestions would make rotation too selective and too senior. Junior rotations would break down institutional barriers and rotation of substantive people would develop flexibility.

OP Comment: The MAG appears to have been selective in reading the references to rotational assignments. The full text of the references memorandum clearly identified three different kinds of rotations, each designed to meet different purposes and needs. The DDA's proposals stressed the need for a more programmed approach to rotations pointing out that while the number of rotations in FY 76 exceeded expectations, a relatively low number were for the purpose of employee development.

An additional suggestion (challenged by MAG) was the proposal to expand the number of senior staff officers involved in rotational assignments to enhance their perceptions of the inter-linkages within the Agency. Carefully planned and selective rotations of personnel between substantive jobs has also been encouraged where the qualifications of the rotated employees are pertinent to the assignment. For substantially rotational assignments to be meaningful - the incumbents must be capable of performing all major requirements of the position and the experience should enhance their skills, aptitudes and outlook in terms of their career field. Increased "flexibility" cannot be a goal in itself but rather a bi-product of developmental experiences. Rotations of employees to dissimilar duties is potentially counter-productive. It is damaging to the employee's career to be expected to carry out the functions of the new assignment without the benefit of the requisite experience or qualifications to perform.

MAG (para 7) - Quotas should be set, by Directorate, for professional people in rotational assignment. The use of direct swaps would help assure that competent people are offered for rotation. Suitability for rotation should be addressed in performance appraisal.

OP Comment: The appropriate number of rotational assignments in or out or within a Directorate (or sub-divisions) flows from serious and meaningful planning and should not be an arbitrary decision. When arbitrary "targets" are set it is almost inevitable that they will be met - whether the rotations are purposeful or not. Direct rotational "swaps" are administratively easier to implement but experience confirms that they are not often possible.

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We do not agree that potential for rotation should be a heavily weighted factor in personnel rating systems nor a subject to be addressed in performance evaluations. At best, the supervisor would be expressing an opinion on an issue that is not relative to an individual's current job performance. Many employees, because of their particular qualifications, skills and/or interests may never be candidates for rotation and no purpose is served in evaluating their suitability in this regard.

MAG (para 8) - A separate career service (or board) should be established for those on rotation. It should have power to promote and strong say concerning next assignment of rotatee.

OP Comment: A better understanding of the Agency's Career Service management system by MAG would have precluded their suggestion that a separate Rotatee Career Service Board - with oversight of rotatees and responsibility to promote - be established.

Centralized personnel management systems, such as exist in many other Government agencies, are of necessity uniformly structured, operate under rigid rules and procedures and do not possess the flexibilities deemed essential to meet the needs of our Agency. The MAG proposal conflicts with the basic premise that the component (Directorate or Career Service) is responsible and accountable for accomplishing its substantive mission and for the management of its assigned workforce.

MAG (para 9) - The assignments and promotions of all individuals who have reached GS-14 should be controlled by a single board, perhaps the one for rotatees.

OP Comment: This proposal reaching down to the GS-14 level would seriously conflict with the basic authority, responsibility and accountability of managers for management of their workforce and organizations in accomplishing their missions. There are more than 2,500 GS-14s and above in the Agency. Current planning includes formalization of centralized review of senior "key official" assignments by the EAG and possible subsequent inclusion of all supergrade assignments in the future. Experience with the "key official" reviews will provide a basis to determine the effectiveness of this approach.

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SEPARATION

MAG (paras 12 and 13) - Low potential should be the single most important criterion for judging employees in their first several years on board. The probationary period is too short. Employees with longer service may have low potential yet contribute greatly to overall effectiveness.

OP Comment: The ADCI and the EAG have formally addressed the subject of "separation" with a decision to incorporate new elements in a more understandable new regulation. Publication of this regulation is currently held pending further consideration by the ADCI and the EAG on possible extension changes in the present one-year initial probationary period to a three-year period.

MAG (para 14) - A statement of competitive ranking should be included in each Fitness Report so that supervisors are forced to deal honestly with their subordinates. New rankings should be communicated immediately to the employee. Each employee should again be made aware of the right to see personnel files.

OP Comment: The Agency has for the most part good supervisors. They are conscientious. Fitness Reports today are far more particular and honest than five years ago. This is at least in part a result of constantly rotating membership of the evaluation panels. Regarding the remark on awareness of the employee to see his/her personnel file - it was open policy in 1974 (587 reviewed their files), in 1975 (945), in 1976, despite a radical change, because of a move to Ames Building, in the system of making each file available, (609). Employees spend from 30 to 90 or more minutes in such a review and Agency policy requires another employee to be present. The suggestion that the Fitness Report incorporate the ranking of the employee in comparative evaluation is potentially harmful to the interests of employees. It would incorporate the ranking in the permanent record, where it might influence future assessments of performance through a halo or tarnish effect. The evaluation ranking is not appropriate to an appraisal of an employee's performance.

ENCOURAGING EXCELLENCE

MAG (paras 18 and 19) - CIA does not need to protect its specialists by reserving senior slots for them, which would deny promotion to someone more flexible and willing and able to assume

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supervisory responsibilities. With a poor market for specialists outside, the Agency can retain its specialists without incurring extraordinary costs.

OP Comment: A well qualified and effective analyst - like a well qualified manager - is worthy of compensation deserved. Over-emphasis on "flexibility" and "willingness" to assume supervisory functions must be avoided. The confirmed requirements of the functions of the position to be performed and the credentials and quality of performance by the incumbent are the key considerations in this area.

MAG (para 20) - There has been criticism of our unnecessary adherence to CSC rules and regulations. Why falsify titles and job descriptions to justify promotions? Why shouldn't a chief be allowed to decide which jobs are the most important and deserve the best grades?

OP Comment: The Office of Personnel's role, responsibilities, authorities, methodology, organizational structure and standards in carrying out the position management and classification program for the Agency has been completely reviewed and studied in-depth during the past year by an independent contractor and the Inspector General.

On 20 December 1976 the DDCI reaffirmed the principle that sound managerial practice required retention of authority and control for Agency position management and classification centrally with the Office of Personnel. Increasing external emphasis (Congressional and Presidential) on tighter controls on position classification decisions and concern for "grade creep" further dictate adherence to standards for adjudication of positions.

While the Agency adheres to the concepts and principles issued by the Civil Service Commission, we modify standards and adjudication criteria to meet the particular needs of the Agency. MAG's observation that supervisors and/or employees are falsifying job descriptions to justify promotions is a serious allegation of fraud. Whatever evidence they have to support this allegation should be made available for investigation and further action.

MAG (para 21) - We believe other changes are possible to facilitate rewarding excellence, especially at the lower levels. We believe that Agency policy of using the even grades for junior professionals has outlived its usefulness. At NPIC, a CIA GS-7 doing a solid job can expect to become a GS-8 in a year; his desk-mate, a DoD GS-7 doing the same solid job, can expect to become a GS-9 in a year. This is wrong.

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OP Comment: Approximately three years ago the Office of Personnel submitted a proposal to the Agency Management Committee recommending abolition of the "one-grade" progression. The decision at that time was to retain the existing system.

The NPIC situation is currently under study - including the differences in overtime policies of CIA and DoD.

MAG (para 24) - Capricious and arbitrary treatment with respect to the time-in-grade criterion leads 35 percent of our employees to judge the promotion system as unfair. We need it stated that time-in-grade is not a rigid requirement and that it is not sufficient grounds for promotion.

OP Comment: On the basis of unverified opinion and the questionable relationship of the possible adherence to time-in-grade guidelines by certain components, the MAG arrives at the firm conclusion that "this capricious and arbitrary treatment" leads 35% of our employees to consider the promotion system as unfair. The superficiality of such an oversimplified conclusion is self evident. The 35% negative statistic is taken from a question in the attitudinal survey, addressing not the promotion system but their perception of the fairness of promotions. Other pertinent statistics not mentioned by MAG are: 34% believe promotions are given fairly with 30% unsure. Sixty-five percent of respondents believe their pay is fair. According to last year's APP, 26% of Agency personnel were promoted during the year.

The results of the Attitudinal Survey must and will be subjected to full and complete analysis before final conclusions can be drawn and proposals for corrective action developed. The time-in-grade guideline has been treated anew in the new version of [redacted] as approved by the EAG.

EQUAL EMPLOYMENT OPPORTUNITY

MAG (para 25) - It should be made abundantly clear now that the EEO performance of each component will be reviewed in depth on a component-by-component basis at the end of the year and that the details of both superior and poor performance will be made public within the Agency.

OP Comment: The EAG has addressed the EEO problem. New policies and procedures have been installed and will be monitored as to effectiveness in this important area.

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MAG (para 26) - In many cases, employees with a complaint or grievance are unsure whether to go to the IG, the EEO Office, or both. As the DDA paper (p. 31) points out, employees do not understand grievance procedures. This is an area in which a Headquarters Bulletin or a letter to employees from the DDCI could do some good. What is needed is a clear, concise paper for all employees that explains in one document all the grievance mechanisms of the EEO office and the IG and explains where they work together and where they are independent.

OP Comment: This subject has already been addressed with a new regulation issued on grievance procedures. EEO procedures are clear. Grievance procedures are set forth in each Directorate's Handbook on Personnel Management. Perhaps employees do not absorb procedures until they have need to utilize them.

The Attitudinal Survey results indicate relatively high percentages of employees are not aware of many areas of information pertinent to their well-being but which is readily available in published handbooks, notices and employee bulletins.

MAG (para 27) - In the EEO area, even more than in others, we are handicapped by our lengthy personnel processing procedures. It is a fact of the 1970's that highly qualified minority applicants are in great demand. We should be making a particular point of looking for such individuals while they have at least a year left in college or graduate school. We should also have procedures for expediting processing of those who are clearly qualified and apparently clearable. There is no obvious reason why we cannot employ such individuals on unclassified projects pending final clearance and even keep them on for a year on such projects in the event that the unexpected clearance problem does crop up.

OP Comment: In the fall of 1976 a new system of Directorate and OP coordinators and special procedures was installed to expedite decision making and processing of minority applicants. Prior experiences with employment of uncleared personnel on unclassified projects have not been satisfactory. The individual who relocates here - with expectations high - and finally is found unclearable can suffer extreme hardship.

MAG (para 28) - We should also seek to expand our programs for hiring highly qualified minority applicants while they are still in school--or at the time of high school graduation--and assisting them in their college educations.

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OP Comment: This proposal is not legally possible.

MAG (para 30) - With respect to women, there are a number of problem areas to be worked on: assignment after pregnancy leave, assignment after return from overseas duty, higher average age in the better grades, less assignment of women to high visibility opportunities.

OP Comment: Inequities relative to women were set forth in the OP paper that MAG is commenting on. The percentages of promotion versus percentage of professional population are higher. Continued effort must be made to correct real inequities where they exist.

GENERAL

MAG (para 37) - An Office of Personnel subordinate to one Deputy Director cannot develop or implement personnel policy. We suggest a small organization (perhaps called the Office of Personnel Policy) reporting to the DCI and responsible for: career service functions for rotatees and GS-14s and up, the same for detailees, developing or adjusting personnel policy and feedback, addressing questions of "mix," overseeing assignments to key positions, reviewing PRA practices, and troubleshooting career development, quality control, and application of policies and regulations.

OP Comment: The thrust of this proposal indicates a conviction that Agency personnel management will be enhanced by separating the Agency personnel policy function from personnel administration. By Federal regulation and on the basis of sound managerial concepts, the establishment of personnel policy is the responsibility of the Head of Agency. The Director of Personnel or other designated officials or advisory bodies (such as the former Management Committee and the current EAG) may advise such Head. The primary responsibility for personnel management operations or implementation rests with component managers who are responsible for the successful accomplishment of the Agency missions concerned.

In consideration of these concepts, this is the way it works in our Agency. The Office of Personnel, directly and internally involved in Agency-wide personnel functions (i.e., both personnel management and personnel administration) provides advice, proposals and staff support to the DCI, the DCI and the Executive

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Advisory Group. The senior component managers, the primary officials directly involved in personnel management implementation both as major Agency organizational managers and Heads of Career Services, are members of the Executive Advisory Group. The present mechanisms relative to providing advice to the DCI and DDCI on personnel policy matters are comprised of those specific Agency officials with the best insights, experiences and expertise as a basis for their advice and recommendations.

The organizational location of the Office of Personnel within the Directorate of Administration has not inhibited the Director of Personnel in carrying out his independent responsibilities to the DCI and the DDCI relative to providing advice, the development of recommendations and the objective execution of such centralized functions as position classification and the evaluation and reporting of the effectiveness of personnel management implementation within the operating components of the Agency--including the Directorate of Administration. The capacity of the Director of Personnel to provide professional input on Agency personnel policy formulation is in fact enhanced by his collateral responsibilities for specific elements of Agency personnel management (such as consultation and advice on personnel policy matters, development and implementation of the Agency's personnel programs, position classification and the review and evaluation of personnel management implementation) and personnel administration (employee benefits and services programs, maintenance of manpower information systems, recruitment and placement, etc.).

In the period 1973-1974 when the then DCI established and defined new objectives to institute major new directions in Agency personnel management approaches, the Office of Personnel provided the staff support and input for the Management Committee in a collaborative effort leading to the institution of new and uniform Agency policies, common programmatic responsibilities and structured programs (APP and PDP) applicable to Agency career and personnel management. The changes instituted by the DCI in 1973-1974 were of such scope and substance that final evaluation of their efficacy and effectiveness cannot be fully determined at this early date. Some needed modifications and the desirability of increased emphasis on certain elements of the programmatic aspects of personnel management operations are already apparent and are currently under consideration by the EAG and the DDCI.

In summary, it would appear that the fragmentation of responsibility of the personnel policy advisory and/or oversight role to a new and separate entity in the Office of the DDCI

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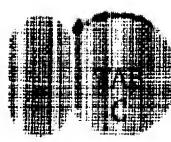
would fix responsibility with a staff element possessing neither the essential experiential base nor resources to provide the DCI and the DDCI with the quality of advice so essential to sound managerial decision. Such a staff would be divorced from the data base residing in the Office of Personnel, the insights of those officers providing personnel support, and the management of those personnel programs that execute personnel policies. In addition to these disadvantages, the establishment of yet another office would involve a net resource cost, without a full offset from foreseeable benefits. The Director of Personnel, in addition to his organizational relationship subordinate to the Deputy Director for Administration, has independent responsibilities to the DCI and DDCI on Agency-wide personnel policy and personnel management matters. This direct link is readily usable in lieu of establishing a separate office.

As neither the immediate proposal nor MAG have addressed the resources for this "small" new office, we have done some preliminary calculations. Based upon the DDO experience, we would expect that ten to thirty people would be required for the Career Management function. It is likely that another twenty-to thirty would be required for the intensive effort with respect to the policy formulation, evaluation and oversight functions. The staffing requirement could involve 30 to 60 people--a costly proposal with little evidence of any substantial realizable gains.

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SPECIFIC COMMENTS ON SECONDARY POINTS

KEY OPERATING OFFICIALS

MAG (para 11) - The identification of the key positions is the first step in bringing the PDP to life.

OP Comment: The Acting DCI and the EAG have addressed the "Key Official" situation and a formal proposal for implementation, including ties to PDP, has been prepared and submitted to the ADCI by the Office of Personnel.

ENCOURAGING EXCELLENCE

MAG (para 16) - The psychological satisfaction of good employees will be enhanced if the promotion process is selective from the beginning, and if the propensity to promote everyone as long as there is space can be overcome. Promotions need to be more competitive all along the way.

OP Comment: Promotions are based on competitive evaluation. The bottlenecks at certain grade levels (they vary in some Directorates) is not necessarily evidence of non-selective promotion but is the product of combinations of factors that affect the relative speed of promotion. The proposed new regulation on promotion reinforces the principle of selectivity.

MAG (para 22) - We further believe that supervisors should be encouraged to award Quality Step Increases and that procedures for QSI's should be simplified. At present, despite the regulations, promotions are easier to grant than QSI's in practice, but the short-term solution of granting a promotion can mean the long-term drawback of having used up almost all the rewards and incentives we have to offer certain groups of people.

OP Comment: The criteria and purpose for the QSI aware are specifically quite different from the criteria for promotion. The granting of QSI's may appear to be administratively "easier to grant" but in fact the Career Service competitive evaluation deliberations relative to promotions are much more time consuming and demanding on the members of the Boards and Panels conducting the exercise.

MAG (para 23) - We also need some way to honor superior short-term performance--a purpose for which the QSI is sometimes misused. We do, of course, have certificates of merit. But we should also make much more extensive use of bonus programs, whereby a one-time lump sum payment is awarded for special achievements on a specific project or assignment.

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OP Comment: In 1974 the Management Committee, on the recommendation of OP, established the Special Achievement Award and the Exceptional Accomplishment Award. To date, 58 awards have been approved for a total of \$105,425. A recent award to an individual employee amounted to \$7000.

EQUAL EMPLOYMENT OPPORTUNITY

MAG (para 29) - We should make every reasonable effort to enlist and retain minority employees whose abilities are patently superior. And we should be willing to take strong action in the case of managers now on board who are unwilling to carry out their responsibilities in this area.

OP Comment: Current policy, no disagreement.

NEW EODS

MAG (para 31) - Follow-up interviews of all EODs should be conducted at the end of the first year, but by the supervisors and board members, not by the Office of Personnel.

OP Comment: Supervisors certainly have an inherent role in employee orientation and follow-up but Office of Personnel follow-up interviews provide the opportunity for individuals to more freely express their views, problems, etc.

MAG (para 32) - New EODs should be told early and often about job opportunities throughout the Agency and should be encouraged to begin planning a future.

OP Comment: New EODs of necessity must concentrate on the job at hand and increase their capacity and skills to perform the duties of their current assignment. The Developmental Profiles and counseling services available within their career service and sub-groups are designed to provide projections for the future.

MAG (para 33) - We believe that rating supervisors on how well they provide on-the-job training and orientation (p. 29) is worthwhile, though we recognize that it will be a sterile exercise in many cases.

OP Comment: The rating of supervisors on how well they provide on-the-job training and orientation in our view will be constructive. We do not share MAG's pessimism that it will be a sterile exercise.

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MAG (para 35) - We do not need a lot of elaborate new systems. We need to use those we have or discard them. This applies not only to PDP and ADP--it applies to LOI's, MBO, the lower 3 percent or 5 percent exercises, fitness reports, etc. As human beings, we all have difficulty being honest with one another, particularly where honesty requires examining weaknesses as well as strengths. We must, nevertheless, force ourselves to do it.

OP Comment: We agree.

MAG (para 36) - We think new and different approaches to personnel assessment should be tried. This would include both peer rating and rating of supervisors.

OP Comment: Consideration is currently underway to study current performance and competitive evaluation systems to determine their effectiveness in meeting informational needs. On the basis of data developed in this effort other approaches will be explored as appropriate.

7 December 1976

MEMORANDUM FOR: Deputy Director of Central Intelligence
SUBJECT: Personnel Management

1. You have asked several times for such input as we can make on the various "goals" topics being addressed by the Executive Advisory Group. In this connection, we felt we might be most helpful to you by concentrating on those dealing with personnel matters. In addition, the EAG papers and minutes of the October 20 EAG meeting on personnel management have been forwarded to us for review and comment. In what follows, we have attempted to combine our thoughts on specific personnel questions and our comments on the related recommendations in the paper prepared for the EAG by the DDA. Page references are to that paper.

Career Development

2. We wholeheartedly concur with the DDA's conclusion (p. 31) that employees are concerned about the adequacy of career development programs and procedures. We cannot, however, agree that the principle problem is one of unrealistic employee expectations or that further Employee Bulletins are a solution. In all honesty, Employee Bulletins that simply defend and explain current practices—especially in an area where employees are dissatisfied—are probably destructive of employee confidence in management.

3. This is not to say that we disagree that employees have a responsibility for planning their own careers. But they cannot discharge that responsibility alone; it must be a joint endeavor with management. For this, we do not need new systems, we need to use the ones we have. The PDP names names; the ADP, if it has any validity, is drawn up with names in mind. But it is the rare component that consults the individual for whom it is "planning." And there is, as best we can tell, no follow-up action taken on any of the plans.

4. Our feeling is that the problem needs to be addressed primarily at the level of the immediate supervisor. The supervisor should exercise an already implicit responsibility for discussing career development—both future assignments and possible training—with employees on a regular basis. Not enough do. At the risk of proposing a bureaucratic approach, we suggest that the DDA proposal (p. 29) that supervisors be rated on

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their handling of new employees be expanded to an across-the-board requirement that fitness reports on all employees with less than 15 years service make explicit reference to possible future jobs and possible training opportunities. As a corollary, the employee's option to comment on fitness ratings should be expanded to allow for the employee's comments on these subjects. This would serve the dual purpose of forcing the supervisor to think of the employee's future and encouraging the employees to think beyond the immediate job.

5. We also think it should be Agency policy that each employee with two or three years service should be invited to discuss future jobs and training desires with that individual or group most likely to make decisions about the employee's immediate future. (The vague wording reflects the fact that the locus of personnel power varies widely between components). The logical, and intended, extension of this idea is that most professional personnel should be reassigned after a two to three year first tour.

Versatility/Rotation

6. Although the bulk of reassessments will no doubt continue to be intra-directorate, the possibility of rotational assignments should be made clear to the employee from EOD on. Here, again, we part company with the DDA suggestions (p. 9 and p. 37) that slots designated as rotational should be "few", "mostly staff" and "senior...men." The only way to break down the institutional barriers is to begin with relatively junior employees who have not become captives of various Directorate-imposed habits of thought and behavior. The best way to develop flexibility is to rotate people into substantive jobs—where the duties are dissimilar—rather than into similar staff jobs in different components. If you want a lot of flexible people, you cannot get them by undertaking only a few rotations. We will restrain ourselves on the question of gender, since we feel confident that you can guess what we think.

7. To be more specific, we believe we should be aiming for perhaps 10 percent or so of our professional people in rotational assignments at any time. We think it may be necessary to set a quota for each directorate. We believe that there should be the maximum possible number of direct swaps (e.g., two Near East analysts from ORPA traded for two operations officers from NE Division, an OER monetary analyst for a DDO officer with [redacted] experience, obvious exchanges between Commo and OTS, OEL and OWI, OSR and NPIC, etc.). The swap arrangement would discourage the propensity to propose for rotation those of limited competence, since each supervisor would realize that you must offer quality if you hope to get quality. The final decision on each rotation should rest with the receiving component. We further suggest that "suitability for rotation" be a heavily-weighted factor in all personnel rating systems and that potential for rotation be a subject supervisors are encouraged to address in fitness reports.

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9. We further believe that the same new board, or yet another to be created, should have responsibility for assignments and promotions of all individuals who have reached the GS-14 level. Obviously, most recommendations for promotion and proposals for reassignment would come from the parent directorate, and the board would simply endorse many of the recommendations. But a board dedicated to a cross-Agency look would be in a position to offer alternative suggestions for some assignments and to weigh all promotion recommendations to GS-15 and beyond against the total needs of the Agency.

10. We also take exception to the notion that OTR should devise a training course for officers designated to fill such positions. Such orientations are clearly the responsibility of the receiving directorate; they should be individually tailored to circumstances. We do think, however, that OTR could contribute by emphasizing in its courses for new employees that they should be thinking about their next assignment from the day they enter and that they should be looking beyond the borders of their initial offices or directorates.

Key Operating Officials

11. We trust that the identification of "key positions" referred to in the minutes of the 20 October EAG meeting is only the first step in the process. Once those positions have been identified, we believe that a move toward bringing the PDP to life should follow. Individuals potentially capable of filling those positions should be identified by name, with suggestions provided by each Deputy, who would be encouraged to submit names from other directorates as well as his/her own. Any nomination should only be considered in light of that list. One side benefit of such an approach would be identification of a list of high potential employees, since certain names would appear on the lists of several Deputies and/or as potentially qualified for a number of positions.

Separation

12. The DDA recommendations (pp. 25-26) begin by suggesting that poor performance should be identified early but go on to say that low potential should not be sufficient basis for identifying employees for possible counseling or separation. A necessary distinction is not made. We believe that low potential should be the single most important criterion

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for judging employees in their first several years on board. The Agency has a responsibility to new employees, as well as itself and the taxpayers, to identify its hiring mistakes early and help those who do not live up to expectations to find more satisfying futures elsewhere. One problem is the one-year probationary period. One year, under one supervisor, is no test of potential. The first year review should be a serious look for possible mistakes. The possibility of error in either hiring or assignment should be reflected in a transfer to a second assignment. The employee should be told then that a potential problem has been identified and that the change of assignment and supervisor is a deliberate effort to determine whether the problem lies with the employee or with the assignment or supervisor. A re-review should be conducted at the end of two or three years—concurrent with the "future jobs and training" review suggested in Paragraph 5.

13. So far as employees with longer service are concerned, we agree that low potential must not be used as the sole basis for rating employee performance. Many trained, valuable employees are content to remain in grade and in place, contributing greatly to our overall effectiveness. But we do believe that either supervisors or Career Service Boards should be honest with such employees and that they should reflect their convictions in their promotion decisions.

14. The single biggest glitch in the system is the human factor—individuals do not like to tell others to their face that they are not measuring up. They avoid the unpleasantness and pass the problem along to someone else when possible. We are all guilty. But we, as a group, do not believe that the Agency is doing enough to live up to its claims that all its employees are superior. Primarily as a means of forcing supervisors to deal honestly with their subordinates, we wholeheartedly endorse a recent suggestion by the DDS&T Management Advisory Panel that a statement of competitive ranking be included in each fitness report. We would go further, also requiring that the next ranking be communicated to the employee as soon as the new rankings have been compiled. Including rankings in fitness reports should also help to make the attempt to separate (or encourage voluntary departure of) an employee less threatening to the supervisor who tries. At present, it all too often works out that the supervisor is labeled the troublemaker in such a situation. In addition, we feel strongly that each employee should again be made aware of the right to see personnel files and that a consistent policy on this should be enforced throughout the Agency.

15. As part of a program to ease the lot of those who are not fulfilling the Agency's needs, could we work out an agreement with the Civil Service Commission to obtain CSC ratings for at least some of our employees? Several of the "excepted services"—including the Foreign Service, USIA, ACTION, and ERDA—have such arrangements. For CIA, it would be an asset both in attracting personnel—especially clericals, we believe—and in alleviating some of the human problems inherent in any separation out policy.

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16. Rewarding excellence is often seen in terms of "fast-tracking" (p. 10). But the question is really one of differential between excellent and average. What we see happening is rapid promotion for the bulk of the professionals to about the GS-13 level and then a severe bottleneck. This probably means that too many people are being promoted to the 13 or 14 level simply because the grade structure provides "headroom." At that bottleneck, the distress created in co-worker-observers by a "wrong" promotion is many times as great as the pleasure created by a "right" one. Our message here is that the psychological satisfaction of good employees will be enhanced if the promotion process is selective from the beginning and if the propensity to promote everyone as long as there's space can be overcome. A promotion says, "CIA wants you to remain on board." Whether that signal is an accurate one needs to be an explicit judgment faced in every promotion recommendation. In sum, we believe that promotions need to be more competitive all along the way. We believe most of your middle-level employees are not only willing but anxious to see this happen.

17. In regard to promotions, we are somewhat troubled by the suggestion that "career tracks should be developed for substantive and functional specialists that need not force them into managerial responsibilities for advancement" (p. 28) and similar statements in the past. We applaud this suggestion with reservations--reservations that stem in part from the lack of a clear explanation of the reason for the recommendation. The real problem is that we are too often saddled with bad managers who were promoted because they were good analysts, case officers or engineers. We believe that every effort should be made to reduce the number of strictly managerial jobs, by eliminating unnecessary layers and unnecessary creation of subdivisions, and thus to increase the number of non-managerial slots at the higher levels.

18. Our other reservations have to do with the often proposed concept of reserving some number of senior slots for specialists. As we understand "specialist" in this context, the reference is to an individual who wishes to deal with a single subject or a single kind of operation or a single work speciality and who is unwilling or unable to perform in a supervisory role. First, let us say that there should always be room for exceptions to overall policy. But we wonder how protective CIA really needs to be of its specialists. The costs are high. Reduced to the essentials, we are talking about promoting an analyst or case officer to GS-16 in 20 years (more or less) of EOD and thereafter paying \$40,000 a year plus on-duty and retirement benefits (at current rates) for another 10-15 years. The dollar cost during the latter period is in excess of half a million dollars. The personnel cost is denial of promotion to someone who is more flexible in type of occupation and who is willing and able to assume supervisory (read: people-handling) functions.

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19. To be hard-hearted for a paragraph, are these costs necessary? We are at a disadvantage here, because we do not know whether any substantial number of "specialists" have left in recent years because better opportunities were available outside. But we suspect that the market for specialists is little, if any, better outside. Which is to say, we suspect that the Agency can retain its specialists without incurring extraordinary costs.

20. A partial solution may also be found in relaxing or eliminating the Office of Personnel's guidelines for grades. We understand, although we cannot find reference in the report, that the [redacted] team was 25X1A extremely critical of our unnecessary adherence to Civil Service Commission rules, regulations and guidelines of various kinds. Why should it be necessary to give an individual a misleading title and false job description to justify a promotion? Given that an office of division chief has a certain number of each grade to assign, why shouldn't such a chief be allowed to decide which jobs are the most important? We recognize that the whole system reflects the struggle between directorates for slots at various grades, but we do not think the current process is a solution.

21. We believe other changes are possible to facilitate rewarding excellence, especially at the lower levels. We believe that Agency policy of using the even grades for junior professionals has outlived its usefulness. At NPIC, a CIA GS-7 doing a solid job can expect to become a GS-8 in a year; his desk-mate, a DoD GS-7 doing the same solid job, can expect to become a GS-9 in a year. This is wrong.

22. We further believe that supervisors should be encouraged to award Quality Step Increases and that procedures for QSI's should be simplified. This would serve two purposes. It would give us an easy way to reward superior performance. And, it would give us a way to reward that performance in the lower ranks—especially the clerical ones—without promoting employees too rapidly to a position where there is no headroom. At present, despite the regulations, promotions are easier to grant than QSI's in practice, but the short-term solution of granting a promotion can mean the long-term drawback of having used up almost all the rewards and incentives we have to offer certain groups of people.

23. We also need some way to honor superior short-term performance—a purpose for which the QSI is sometimes misused. We do, of course, have certificates of merit. But we should also make much more extensive use of bonus programs, whereby a one-time lump sum payment is awarded for special achievements on a specific project or assignment.

24. As to the DDA's claims (p. 10) that a reasonable amount of fast tracking is occurring, we agree that the 1975 record of 10 percent of promotions to GS-14, 15 and 16 being granted within two years is respectable, in the aggregate. But we are dealing with individual human beings and with separate organizational boxes, not with aggregates. A glance at the table (p. 14) shows that DDA and DDO were less flexible in their practices than

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the other major units. A table at the component level would no doubt show some who have not violated a time-in-grade guideline in the memory of anyone now on board. And it is precisely this capricious and arbitrary treatment, which depends largely on the attitudes of individual supervisors, that leads 35 percent of our employees to judge the promotion system as unfair (p. 33). We need more than another guidance issuance stating that time-in-grade is not a rigid requirement (p. 27). We need to have that message repeated frequently and forcefully by Deputy Directors to supervisors and promotion panels. And we need to have it supplemented with an equally forceful statement that time in grade is also not sufficient grounds for promotion. Indeed, we wonder whether time in grade need be taken into account at all. A promotion decision is a highly personal thing; need it depend on anything other than the capabilities and potential of the person in question?

EEO

25. We are dealing here with deep seated attitudinal problems. We need to face up to the fact that whatever is done, someone will be hurt--blacks, women, etc., who are treated unfairly or the people responsible for the unfair treatment. It should be made abundantly clear now that the EEO performance of each component will be reviewed in depth on a component-by-component basis at the end of the year and that the details of both superior and poor performance will be made public within the Agency. This is, admittedly, a "fight fire with fire" solution. We propose to embarrass some people. It must be done with extreme care, and every effort must be made to avoid singling out poor performance on unfair or inaccurate grounds. The praise must be heaped on at least twice as liberally as the blame. But it is time to get a lot more public and a lot more personal about this issue.

26. In many cases, employees with a complaint or grievance are unsure whether to go to the IG, the EEO Office, or both. As the DDA paper (p. 31) points out, employees do not understand grievance procedures. This is an area in which a Headquarters Bulletin or a letter to employees from the DDCI could do some good. What is needed is a clear, concise paper for all employees that explains in one document all the grievance mechanisms of the EEO office and the IG and explains where they work together and where they are independent.

27. In the EEO area, even more than in others, we are handicapped by our lengthy personnel processing procedures. It is a fact of the 1970's that highly qualified minority applicants are in great demand. We should be making a particular point of looking for such individuals while they have at least a year left in college or graduate school. We should also have procedures for expediting processing of those who are clearly qualified and apparently clearable. There is no obvious reason why we cannot employ such individuals on unclassified projects pending final clearance and even keep them on for a year on such projects in the event that the unexpected clearance problem does crop up.

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28. We should also seek to expand our programs for hiring highly qualified minority applicants while they are still in school--or at the time of high school graduation--and assisting them in their college educations.

29. In sum, we should make every reasonable effort to enlist and retain minority employees whose abilities are patently superior. And we should be willing to take strong action in the case of managers now on board who are unwilling to carry out their responsibilities in this area.

30. With regard to the particular discontent of women pointed out by the DDA (p. 38), there are a number of specific problem areas to be worked out. Women take pregnancy leave. Regulations guarantee them continued employment in a position of like seniority, status and pay. Practice guarantees them only pay. Women accompany their husbands on overseas assignments; upon return, their job rights, if they exist at all, are not clearly defined. Some DDO women in operational support jobs overseas return to find only clerical jobs in headquarters. The average age of women is substantially higher at almost all grades than the average age of men. At the middle and lower grades, women are less likely than men to get "high visibility" opportunities--presumably because there is widespread belief that the women cannot handle the "pressures" involved. To a degree, women compound their own problems; fearing that they are likely to be turned down on the basis of sex, they fail to express their desire for new opportunities and more responsibility.

New EOD's

31. Follow up interviews of all EOD's should be conducted at the end of the first year. However, contrary to the DDA recommendation (pp. 29-30), these should be conducted by the people who rate, assign, and promote--supervisors and Career Service board participants--rather than by the Office of Personnel. There probably is good reason to ask Personnel to coordinate development of a list of common questions to be used by all components, so that certain statistics could be compiled on an Agency-wide basis. But asking Personnel to do the interviewing compounds the existing problem of inadequate involvement of supervisors and Career Services in career development. The comment (p. 23) that "senior directorate personnel officers... reported in general that they had very little direct contact with new employees" is perhaps the most damning statement in the DDA paper.

32. As indicated above, new EOD's should be told early and often about job opportunities throughout the Agency and should be encouraged to begin planning a future. Those who are not proving highly satisfactory in their first assignment should be tried in a second. Training courses should be substantially revamped, so that they are short, relevant, and intellectually challenging. All components should have some sort of formal mechanism for orienting new employees. And the OSI "buddy system" (p. 23) sounds most attractive.

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33. As to the other specific DDA suggestions, our reactions are mixed. We believe that rating supervisors on how well they provide on-the-job training and orientation (p. 29) is worthwhile, though we recognize that it will be a sterile exercise in many cases. We believe better orientation of clericals is desperately needed, but we believe that there should be some formal indoctrination at EOD, rather than simply a training course within two or three months (p. 30). We would encourage some regular process in every component for familiarizing all new clerical employees with formats, procedures, etc. and not simply leaving that to a perhaps inexpert supervisor. (Many supervisors do not know or care how wide the margins should be or how the signature block should look, but some front office secretaries do not now take the time to assume their responsibilities in this regard. They simply return work to be redone, leaving the new clerical frustrated and creating unnecessary distress and insecurity.)

General

34. We have not, of course, addressed all the personnel questions under review by the EAG, but we have tried to comment in some depth on those where we feel we can make a potentially useful input. We would like to close with a few comments that make explicit some of the feelings that may only be implicit in the above.

35. We do not need a lot of elaborate new systems. We need to use those we have or discard them. This applies not only to PDP and ADP--it applies to LOI's, MBO, the lower 3 percent or 5 percent exercises, fitness reports, etc. As human beings, we all have difficulty being honest with one another, particularly where honesty requires examining weaknesses as well as strengths. We must, nevertheless, force ourselves to do it.

36. We think new and different approaches to personnel assessment should be tried. This would include both peer rating and rating of supervisors.

37. The Agency needs to clarify responsibilities for career and personnel management and align responsibility with organization. Specifically, an Office of Personnel subordinate to one Deputy Director cannot develop or implement personnel policy. Yet, there is no need for such basic functions as identifying new recruits, processing forms, and overseeing employee benefits to be elevated to the level of the DDCI. What we would suggest is a small organization (perhaps called the Office of Personnel Policy) reporting directly to you and responsible for:

--performing the Career Service function for rotatees and GS-14s and up;

--doing the same for another group not covered in the DDA paper--those on detail to other agencies;

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- developing or adjusting policy-related personnel systems and ensuring feedback on them;
- facing up to problems of "mix";
- being your eyes and ears in the area of assignment to key positions;
- taking a hard look at PRA practices throughout the Agency; and
- generally concentrating on overseeing such Agency-wide problems as lack of career development planning, inadequacy of quality control, and unevenness of application of various policies and regulations.

We would leave what remains of the Office of Personnel where it is and suggest that the head of the new Office of Personnel Policy (who probably should be recruited from outside) take advantage of his improved bureaucratic position to take a good, hard look at the personnel policies of the directorates, bringing in outside consultants to help.

38. We also sense in much that we have recently heard and read that the faith of top management in OTR far exceeds our own. This is not to say that OTR is staffed with inferior individuals or that it is poorly run. Rather, we are inclined to believe that the concept of a centralized Office of Training ought to be reexamined. Our own personal experiences with OTR courses lead us to the conclusion that they are usually designed to be of use to all and end up spending too long on too little of real importance to the individual student. There is a huge variety of courses available in the outside world—courses that would help bring CIA personnel into increased contact with outsiders and with new ideas. These look expensive—but we doubt that they compare unfavorably with the per-student-day cost of OTR. Certainly we need in-house training, but we would like to see more of it conducted by the components with specific expertise and less of it conducted centrally. Failing any other change, we suggest that every OTR course could probably be shortened at least 25 percent and most could be shortened 50 percent.

39. In closing, we are not a discontented lot. Indeed, we are probably remarkably content, in that we certainly enjoy an unusual luxury in our continuing contact with you and our unusual access to information

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on top management's plans and concerns. But since what we have seen of the advice you are getting through official channels on personnel issues strikes us as terribly bland, we have deliberately chosen to be blunt. Personnel concerns are a source of considerable unhappiness among many of the people for whom you and the DCI are responsible, and we take you at your word that you want us to be straightforward.

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f- THE MANAGEMENT ADVISORY GROUP

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2 February 1977

MEMORANDUM FOR: Director of Personnel
FROM : John F. Blake
Deputy Director for Administration
Fred:

1. In connection with preparing a reply to the Agency MAG paper on "Personnel Management", may I suggest the following.
2. Take the three papers, i.e., DDO, DDI, and DDS&T, and go through them to identify areas of agreement with parts of the MAG report and areas of disagreement. Then, make a listing of the "agrees" and "disagrees". I, then, from the point of view of this Directorate will add my own agrees and disagrees.
3. Next, I think you should then prepare a literary analysis as to what these two listings appear to show. At that stage of the game, let us consult and see what more we want to do.

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John F. Blake

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DDA 77-0610

MEMORANDUM FOR: Deputy Director for Administration

SUBJECT : DDS&T Comments on the MAG Report to the DDCI on "Personnel Management" dated 7 December 1976

REFERENCE : Memo from DDA dated 4 Jan 77; Subject: MAG Report to the DDCI on "Personnel Management", dtd 7 Dec 1976

I have completed my review of the MAG Report and agree with many of its recommendations. Although I found a number of unverified generalizations and a lack of sophistication in its factual base, I acknowledge that its content reflects perceptions which we must recognize as valid. On the positive side I understand that the MAG charter is to advise the DDCI on matters of concern to the employees in the Agency. This is how these issues are perceived by the employee and not how the personnel and administrative specialists involved in personnel management may view them. The DDCI, whom the MAG was constituted to advise, wants a product which is accurate and well staffed out. He also needs a feel for how the Agency employee in the trenches views the system. I doubt that personnel surveys alone provide this type of insight. I think that views from the MAG perspective taken together with all the other pertinent considerations provide a starting point from which solutions for the good of the employee can be derived. Based on the MAG Report and similar papers originated by the DDS&T MAP, it is clear that the average employee does not have the same appreciation of the worth of the system as the professional specialists do. I realize that a great deal of effort has been made to minimize misunderstanding and ignorance of our personnel management policy but we must recognize that this effort has been less than totally effective. In the eyes of the employee problems do exist; and even though many of these concerns may be based on misperceptions or on valid questions with no practical solutions, management must always be alert for areas where improvement can be made.

Returning to the task at hand of commenting on the MAG paper I would like to provide the following comments keyed to the paragraphs of the MAG Report.

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2. I agree with the MAG position that employee dissatisfaction with the career development programs and procedures cannot be traced solely to unrealistic expectations. Although I feel the employee bulletin is an important tool in keeping employees informed alternate mediums might be explored to supplement the bulletin.

3. It would appear that the APP and PDP are not being utilized by Agency managers in any consistent fashion. I feel the PDP could be of real concern to the individual employee involved. DDS&T employees are encouraged to participate in formulating the PDP by expressing their own assignment and training goals to their office management by submitting career planning profile questionnaires. In addition I have encouraged all of our employees, particularly those at PDP level to discuss their career development goals with management and their career development officers.

4 and 5. I agree that the supervisor is an important part of the "career management machine" (along with the Career Boards and Panels) and should do more than evaluate performance. However, I question whether the press of day to day business would allow the supervisor to meaningfully discuss career development and training on a continuing and in-depth basis. I would suggest a schedule be set up that would insure each employee would receive formal counseling at least once every three years from a qualified career service representative.

6 and 7. The DDS&T has gone on record as supporting a well rounded rotational program not only to broaden and develop our employees but in the interest of improving our mission capabilities in such areas as technical research and development. However, the pervasive idea that large numbers of inter- and intra-directorate assignments are desired by employees and will help break down barriers between Agency components is not necessarily true based on our experience. Evidence indicates that often little attention is given to the problem

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of fitting rotated employees into useful roles in their new directorate. The mission of the Agency and our responsibility to keep the organization functioning smoothly must not be disregarded. I fully agree that rotational assignments are necessary and can be beneficial; but carried out on the scope which the MAG proposes, might be disruptive to the mission and the employee.

8 and 9. As I stated above the use of rotational assignments plays a valuable role in the DDS&T and helps to encourage a dynamic research and development program. However, I feel strongly that responsibility for the career management of these employees must remain with the parent career service. In my opinion, to create a "Rotatee Career Board" would further complicate our present system. I fail to see how such a board would possibly be in a better position than the parent career service to decide on promotions and reassignment of these personnel.

10. I assume this is a course to prepare the individual for his rotational assignment and agree with the MAG that the receiving directorate should be primarily responsible for the training.

11. I agree with the MAG that high potential individuals should be identified and tracked, and that the PDP is the mechanism for doing this, however contrary to the MAG position, it is my opinion that the PDP is being used and gaining acceptance in the Agency. Obviously to remain a viable program it needs continuing management support and interest behind it.

12. The MAG appears to be in favor of lengthening the probationary time period beyond the current one year in order to allow ample time to assess potential. It is my opinion that lengthening the probationary period will only increase the number of poor performance cases allowed to hang on year after year. Consequently my position would be to do everything in our power to reach a judgment within the one year allotted. (It is interesting to note the DDS&T MAP reached the same conclusion on 12 January 1977.)

13. I agree with the MAG position.

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14. I agree with the MAG that fitness report ratings are inflated largely due to the human factor. I also believe that the fitness reports being prepared today are more objective and supervisors have improved greatly in this area over the years. The fact that employees can review their personnel files has been widely broadcast and I see no problem in this area. As you are probably aware the DDS&T MAP suggested inclusion of comparative ranking indicators in the fitness report believing that this would force the supervisor to be more objective and honest with the employee and that the overall evaluation would be in better perspective. The Office of Personnel stated the ranking should not be included for fear the information could later adversely affect an employee. I believe the MAG recommendation merits further study but it should be carefully considered by management before implementation because of the very legitimate caution expressed by OP.

15. The idea is appealing but apparently is not feasible.

16. We must make every effort to ensure that our promotion system is selective and highly competitive. However, I find nothing wrong in placing an individual in a higher graded position than his present rank and delaying the promotion until he/she has demonstrated the ability to perform at the higher grade level.

17, 18 and 19. The Agency has a definite need for substantive and functional specialists and I was amazed that the MAG doesn't agree. Highly skilled scientists, analysts and operations officers perform valuable services which do not require managerial skills or the exercise of people-oriented responsibilities. Substantive excellence deserves promotion as well as managerial ability deserves it.

20. The MAG appears to be uninformed regarding the restraints and guidelines under which the Agency must operate in the area of position management. I do feel however that Office Directors should play a more direct role in determining position grade levels.

21. I am aware of the Management Committee decision to stay with the one-grade promotion system and support it. Experience indicates the Agency has never had a recruiting problem as a result of the one-grade promotion system.

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22. I do not agree with MAG's belief that QSI's are more difficult to award than promotions. The mechanism for awarding a QSI is simple and if an office is concerned and interested the process can work in a swift, efficient and productive manner.

23. As pointed out in the OP comments, present programs are already addressing the issue of monetary awards. However, it is incumbent upon management to ensure that maximum use is made of the monetary award when appropriate.

24. I agree with MAG that the policy on promotion time-in-grade guidelines needs further clarification and standardization by senior management. I am aware that disparity in practice exists within the DDS&T and probably in the other directorates. Ideally, when an employee has occupied a position long enough for management to judge that he can do the job satisfactorily then he should be considered for promotion. Time-in-grade guidelines can tend to obstruct this approach.

25. I agree with OP that efforts and methods to identify and hire minorities and women are getting progressively better and more productive. I recognize that there are components which need to be pushed, however, overall I think our results are improving and in some cases have been excellent. In my opinion the suggested MAG approach is not warranted.

26. I agree with OP's comments that grievance information is already available to employees from a number of sources. Issuance of a reminder, however, cannot hurt.

27. I believe the Agency already has the means to expedite the processing of minority applicants as well as non-minority applicants, and the system should be used when justified. The MAG proposal to employ minorities on unclassified projects pending final clearance is impractical from a dollar and cents point of view and is, in effect, reverse discrimination.

28. I agree with MAG's position but withhold complete endorsement until I learn what form the proposed assistance would take. FYI, the DDS&T is already making contact with potential applicants down at the high school level.

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29 and 30. I fully agree with the MAG position regarding hiring and retention of superior minority employees, and women's rights.

31. I agree that an employee might respond less readily to a supervisor's questions and that in certain cases it could be useful to use a neutral interviewer. Why couldn't there be a supervisor interview as well if for no other reason than to get the parties in communication with each other?

32. I agree with the MAG concept of advising EOD's about job opportunities in the Agency and planning for the future. Good training courses and orientation programs are essential. The DDS&T has an on-going orientation program for new employees.

33. I agree with the MAG with one exception. The current OTR approach is to provide clerical orientation instruction only after the employee has been with the Agency at least two months. A two-month breaking in period should make the new employee more receptive and retentive to the orientation. Basic office procedures, formats, etc. should be provided by the parent office immediately upon assignment.

34, 35 and 36. I generally agree with the MAG's observation that we should use and possibly improve upon the personnel management systems we now have (PDP, APP, etc.) while continuing to try new and different approaches to personnel assessment.

37. I find the idea of establishing a Personnel Policy Staff one which merits further study and would like to see this proposal explored further before discarding it as unworkable. Such a concept has potential pluses and minuses which should be identified and weighed against our current Office of Personnel organization and functions. In any case, we must have aggressive leadership in personnel management that will preserve the better features of our present personnel system and lead to the creation and implementation of innovative approaches.

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38. The DDS&T conducts a number of in-house courses and I am especially proud of our "Career Development Course" which has a proven track record as one of the Agency's finest. Overall I am satisfied with the current balance between directorate/component and OTR conducted training responsibilities. The MAG assumption that Agency in-house training is more or less expensive than that conducted externally is not supported nor is the sweeping suggestion that every OTR course could be shortened.

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LESLIE C. DIRKS
Deputy Director
for
Science and Technology

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DDA 77-0527

31 JAN 1977

MEMORANDUM FOR : Deputy Director for Administration

FROM : William W. Wells
Deputy Director for Operations

SUBJECT : MAG Report to the DDCI on Personnel
Management, dated 7 December 1976

1. It goes without saying that this Directorate supports the existence of a fair and objective personnel management system in CIA, but at the outset we want to state our belief that the Agency's personnel management system and the DDO's career management system are both basically sound. We also believe that the DDO personnel evaluation system, which has been in being since 1970, is working well, but the Agency MAG apparently does not realize the extent of the effort which we are devoting to insuring that it is fair and equitable.

2. That said, it is our belief that the Directorate's personnel management system must always be evolving. Supporting the Director of Personnel in that manner is the overall means by which we can lend our full support to the improvement of Agency-wide policies. So while we will always welcome well thought-out recommendations from the MAG, we believe the differences we would have with some of MAG's views would be chiefly ones of methodology.

3. The tone of the MAG paper is distressing in that it seems to impugn less than good faith on the part of the Agency management. To describe the advice which the DDCI gets through official channels as terribly bland is hard to understand. This does, we believe, reflect among some personnel an obsession or preoccupation with what they believe to be due them mostly in terms of pay, promotion

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and perquisites. What seems to be lacking is a corresponding positive attitude on the part of many of our people as to what they owe the Agency as employees (and adults). Missing in the MAG memorandum is any hint of the dedication to the job that has been characteristic of this Organization -- of being "taken up with the mission of the Agency", a dedication fortified with an instinctive sense of purpose and a desire to exhibit excellence in performance. Almost forgotten, it seems, is the knowledge that CIA pays its employees more abundantly for their talents than do many other government agencies, and that there are employee benefits and a government retirement system probably second to none.

4. A major problem is probably that the Agency's personnel management system is not sufficiently understood by a great many employees. Many in the DDO do not study carefully or even read policy guidance which is made available on a regular basis. Hence, employees do not understand well enough, for example, the principle of comparative evaluation of employees, the difference between a grievance and an EEO action. More instructional pieces of paper are not necessary to solve the problem, because it seems to us that the Office of Personnel has done exceedingly well in publicizing by notice and by forum the new goals outlined in the Personnel Approaches Study Group. Instead, the solution to this attitudinal problem rests, we believe, with both the supervisors and the supervised. As we have indicated, DDO employees must assume the obligation of seeing that they inform themselves better, but equally important is the assumption of still more management responsibility by supervisors in my Directorate, some of whom have not fully come to grips with their obligations as personnel supervisors. We plan to reinforce with my staff and division chiefs the need for supervisors to see that their branches, desks, or sections are well informed of personnel policies and programs and the DDO Personnel Evaluation Handbook contents. We agree that supervisors must be rated by top-level management on more than their ability to pass out the orders, manage the operations and get the intelligence production in disseminable form. We still find evidence of the old syndrome among my people -- let the Personnel Officer do it.

5. Employee morale appears to be the watchword throughout the MAG paper; it seems to say that employee morale is equated almost solely with promotions. The lack of promotion, according to MAG, is mostly the "fault" of management. Many DDO employees are unrealistic in their own career expectations. Some of this is because of a lack of candor on the part of their first, second and third echelon supervisors. In fact, since the establishment of career counsellors several years ago in the Career Management Group, there has been a tendency to "delegate" the major counselling responsibility to Evaluation Board Vice Chairmen. Our Career Management Staff has not found that employees are called in regularly enough by their immediate supervisors for counselling sessions.

6. We wish to comment on the matter of procedures or policy for judging new employees in their first few years on board. As the Office of Personnel comment on the MAG paper has noted, the Agency does have diminishing human resources and non-diminishing responsibilities. Thus, we need the best quality people we can hire. Due to our lack of firm enough management policies in the DDO in the past, there are a number of marginal performers who have little future potential. In fact, there are instances when there are not enough properly qualified people to meet staffing requirements. To avoid the heartburn of having "non-essentials" on board in future years, it is our belief that the Executive Advisory Group, with the advice of the Director of Personnel, should consider reinstituting the one-time practice (about 1959-1973) of giving new employees a three-year Provisional Appointment. It could be a logical extension [redacted] of 10 January 1977 in which Mr. Knoche reminds all components of their responsibilities toward new employees and the early assessment of these people. As you will recall, under the Provisional Appointment system, at the end of the third year the head of an operating component was asked to indicate simply by his signature whether a "Provisional Employee" should be retained and given a permanent appointment. It is believed correct to say that there were few if any turn-downs of people at least in the DDO. However, if the plan were reinstated with the requirement that the head of operating component had to make a case in writing for or against the retention of such an employee (based on performance and estimated potential) we would be taking a forward step in our personnel management system Agency-wide. Perhaps the views of other Deputy Directors should be solicited.

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7. Brief comments on several of the more important points discussed by the MAG in its paper follow:

a. Separate Career Service Board for Rotatees:

A separate evaluation board for persons on rotational assignments is not judged necessary to insure adequate recognition of the contributions of such officers. On the contrary, we have endorsed the career-enhancing value of rotational assignments and so instruct the DDO Personnel Evaluation Boards to view them in very positive terms. The concept of a separate Rotatee Board, as described by the MAG, takes into consideration the career development of the employee, but MAG's view would not be fair to the home base element if the Rotatee Board were authorized to promote even in the face of a different view by the parent career service.

b. Senior Assignments:

We will keep an open mind about the recommendation that a special board be responsible for the assignment of individuals at the GS-14 level and above. However, our preference as of now is to proceed with the plan of identifying a limited number (50) of "key positions" for which the EAG would be responsible to recommend nominees to the DDCI. If the EAG decides to review assignments of all [redacted] supergrades, it should probably be done with the advice of a small inter-directorate working group chaired by the Director of Personnel. I prefer that assignment responsibility for GS-14 and GS-15's remain in the hands of Deputy Directors and Heads of Independent Offices, because by and large we know the performance and potential of such employees pretty well. Perhaps, those who disagree with the idea of leaving GS-14 and GS-15 assignments to the Directorates will continue to say that cronyism still abounds in the making of appointments. On the other hand, here in the DDO, we now have centralized overview of all GS-15 assignments by the Career Management Staff and our planning calls for applying the same practice to GS-14 employees as soon as possible. We are moving toward a more centralized assignment system at these levels because it has great merit and is another step to improve Directorate personnel management.

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c. Comparative Rankings:

We continue to view the relative ranking of any employee by a DDO Personnel Evaluation Board to be a personal, private matter of the individual concerned. Component chiefs are aware only of those whom the Boards recommend for promotion or whom the Boards find in the Low Percentile. To place the Board rankings on the Fitness Report is not recommended. DDO Career Counsellors inform any Low 20 Per Cent employee orally of his relative ranking if that ranking is attributable to poor performance and low potential. Other officers, who are in the Low 20 Per Cent primarily for statistical reasons, are informed at the discretion of the Board Vice Chairmen. Having a ranking in writing on a fitness report could be prejudicial over the long run to anyone reviewing an employee's official file. It should be remembered that rankings are done annually on the basis of an employee's performance and potential at that point in time; it is the practice of DDO Personnel Evaluation Boards to accomplish their rankings independently of any knowledge of what previous boards have determined.

d. Quality Step Increases and Other Awards:

We strongly support the use of such awards. The DDO's Honor and Merit Award Board has been operating well, encouraging recognition for excellence and seeking in my behalf to see that the program is operated with a uniformity of criteria. We do not consider our procedures complicated and burdensome. As a check on component chiefs, Evaluation Boards are charged with recommending independently the awarding of QSI's or honor awards. Both systems have technical and judgmental checks to prevent abuses.

e. Specialists:

We can speak only for this Directorate, but we have a need for specialists. Because of that proven need, we have established two particular categories of officers for Evaluation Boards to judge: Operations Specialists and (non-operating) Special Skills. Both are needed in the DO; furthermore, our Evaluation Board Handbook provides for the upward progress of selected individuals without there being a requirement that they be top-notch managers.

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f. EEO:

This Directorate is in gear and in tune, as you know, with Equal Employment Opportunity and we spend a lot of time at it. Frankly, how more public and personal we can get about our intent to make the EEO program more successful is baffling. We are convinced that if indeed there are those who, by their official actions, are practicing discrimination, they will be found out. The Directorate is committed to the operation of a fair and just program; certainly there is no intent to hurt anyone. Our staff suggests that the issuance of more bulletins, notices and instructions concerning grievances and complaints does little good because people generally fail to read them.

g. New EOD's:

We have referred above to the idea of reinstating the Provisional Appointment system with a decision being made at the end of three years about the retention of an employee. As for personnel at the professional level, their entry on duty and training is well planned. However, for secretarial, clerical and other personnel such as records keepers, it is recommended that they be placed in orientation, indoctrination and training courses which they will complete before they ever see their first offices of assignment. Upon the employees' arrival on their first assignments, their supervisors should be charged (and rated) on handling of the new personnel.

8. As you have said in your memorandum of 4 January, the MAG paper questions the basic personnel management system of the Agency. One of the views of the MAG paper is that the Office of Personnel cannot develop or implement personnel policy from its current place in the bureaucratic structure. However, in actual practice, in my opinion, the Director of Personnel always has had direct access to the DCI at any time on any matter of personnel policy.

9. Finally, well intentioned as we know the MAG paper to be, it seems that its members are not very well informed concerning

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personnel management. Despite my seeming to question whether more publicity will be of help to our employees, we do feel that we can make additional efforts to expand communications within the DDO, especially with respect to our Personnel Evaluation Board System. Our Chief, Career Management Staff will set up a series of employee forums in the auditorium to explain the DDO Personnel Evaluation System in as much detail as is required.

25X1A


William W. Wells

cc: D/Pers

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

DDO

EXTENSION

NO.

DATE

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

DDA

RECEIVED

FORWARDED

Replies from DDT & DDO attached. DDT input en route. Have given copies to D/Pers

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DDA 77-0586

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359-7

31 JAN 1977

MEMORANDUM FOR: Deputy Director for Administration

FROM : Sayre Stevens
Deputy Director for Intelligence

SUBJECT : Personnel Management

REFERENCES : A. MAG Report to the DDCI, dtd 7 Dec 76,
same subject

 B. Your memo, dtd 4 Jan 77, Subj: MAG
Report to the DDCI on "Personnel
Management", dtd 7 Dec 76

 C. Your memo, dtd 21 Jan 77

1. I have reviewed the MAG Report (Reference A) and the following are thoughts on several of the points as requested in References B and C. In general, while I do not necessarily agree with all of their points, I do believe MAG has presented a thoughtful paper which deserves some further consideration by the Office of Personnel and the EAG.

2. Career Development. MAG makes the point that we need to make better use of the personnel systems we have. I agree with MAG. The DDCI has stressed the importance of the Professional Development Program (PDP) and I believe it is a valuable personnel management tool, yet there is ample evidence that components do not take the exercise as seriously as they should. Many offices, for example, continue to nominate officers for senior internal and external developmental assignments when there is no evidence that the individual is considered to have the potential for assignment to an executive position. Also, we annually rank employees for potential but this information is not used in any systematic way, that I know of, to plan developmental or training programs. I believe more can be done than we are now doing in this important area.

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3. MAG further recommends that fitness reports address planned future jobs and training. I think more could be done in this area but we have to recognize that frequently the rating official, and often the reviewer, is not in the best position to discuss future assignments and training. I suggest, therefore, that there may be a better way to accomplish the MAG goal--perhaps using some system such as discussed in para. 2, above.

4. Versatility/Rotation. MAG proposes that there be more rotation at junior grade levels. It has long been an objective of this Directorate to promote rotational assignments at all grade levels when they will enhance the career development of individuals or serve a useful operational purpose. I do not believe a quota system would serve this purpose; but it may be possible to approach the problem more systematically than we now do. For example, I have made this a major responsibility of the recently created position of Directorate Career Development Officer.

5. The proposal for a central rotational career board would not serve a useful purpose in my opinion. While I have established a centralized "Assignments Panel", it is not for the purpose of managing the careers of employees on rotation but to be sure they are given equal consideration for promotion, training, etc. I further believe that a centralized GS-14 promotion panel would be cumbersome and the benefits are not clear.

6. Encouraging Excellence. MAG questions a system that promotes specialists (analysts) to senior grades instead of more flexible employees who can serve as managers. I disagree. There is room for both. The problem has been the need to create unrealistic managerial positions in order to obtain higher grades for senior analysts.

7. MAG proposes we join the other agencies in the elimination of grades GS-08 and GS-10 for junior professionals. I agree. As I understand it, the policy of promoting people one grade at a time was established to slow down the average grade rise of personnel. I am sure this objective has been realized; however, the effect has been to penalize Agency employees. I see no reason for the Agency to depart from the rest of the federal government on this policy.

8. Office of Personnel Policy. While I do not endorse all of the functions proposed by MAG for the new office, I do believe MAG's proposal that an Office of Personnel Policy be established deserves further discussion. For example, we have an Office of Comptroller to review and establish budget policy--why not a small group to oversee personnel policy? Such a unit, unencumbered by the crush of day-to-day problems of administering the Agency personnel system, might be able to concentrate more on the basic policies that are common to all employees and which underlie the various personnel policies and practices in use throughout the Agency. It should assist Agency management in devising and monitoring policies and mechanisms that foster Agency-wide career identification and development.



STATINTL

Sayre Stevens

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Executive Registry

76-9915

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COMPT 76-21241

7 December 1976

DD/A Registry
76-6546

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT: Personnel Management

1. You have asked several times for such input as we can make on the various "goals" topics being addressed by the Executive Advisory Group. In this connection, we felt we might be most helpful to you by concentrating on those dealing with personnel matters. In addition, the EAG papers and minutes of the October 20 EAG meeting on personnel management have been forwarded to us for review and comment. In what follows, we have attempted to combine our thoughts on specific personnel questions and our comments on the related recommendations in the paper prepared for the EAG by the DDA. Page references are to that paper.

Career Development

2. We wholeheartedly concur with the DDA's conclusion (p. 31) that employees are concerned about the adequacy of career development programs and procedures. We cannot, however, agree that the principle problem is one of unrealistic employee expectations or that further Employee Bulletins are a solution. In all honesty, Employee Bulletins that simply defend and explain current practices--especially in an area where employees are dissatisfied--are probably destructive of employee confidence in management.

3. This is not to say that we disagree that employees have a responsibility for planning their own careers. But they cannot discharge that responsibility alone; it must be a joint endeavor with management. ~~So SIGHT~~ For this, we do not need new systems, we need to use the ones we have. The PDP names names; the ADP, if it has any validity, is drawn up with names in mind. But it is the rare component that consults the individual for whom it is "planning." And there is, as best we can tell, no follow-up action taken on any of the plans.

4. Our feeling is that the problem needs to be addressed primarily at the level of the immediate supervisor. The supervisor should exercise an already implicit responsibility for discussing career development--both future assignments and possible training--with employees on a regular basis. Not enough do. At the risk of proposing a bureaucratic approach, we suggest that the DDA proposal (p. 29) that supervisors be rated on

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their handling of new employees be expanded to an across-the-board requirement that fitness reports on all employees with less than 15 years service make explicit reference to possible future jobs and possible training opportunities. As a corollary, the employee's option to comment on fitness ratings should be expanded to allow for the employee's comments on these subjects. This would serve the dual purpose of forcing the supervisor to think of the employee's future and encouraging the employees to think beyond the immediate job.

5. We also think it should be Agency policy that each employee with two or three years service should be invited to discuss future jobs and training desires with that individual or group most likely to make decisions about the employee's immediate future. (The vague wording reflects the fact that the locus of personnel power varies widely between components). The logical, and intended, extension of this idea is that most professional personnel should be reassigned after a two to three year first tour.

Versatility/Rotation

6. Although the bulk of reassessments will no doubt continue to be intra-directorate, the possibility of rotational assignments should be made clear to the employee from EOD on. Here, again, we part company with the DDA suggestions (p. 9 and p. 37) that slots designated as rotational should be "few", "mostly staff" and "senior...men." The only way to break down the institutional barriers is to begin with relatively junior employees who have not become captives of various Directorate-imposed habits of thought and behavior. The best way to develop flexibility is to rotate people into substantive jobs where the duties are dissimilar--rather than into similar staff jobs in different components. If you want a lot of flexible people, you cannot get them by undertaking only a few rotations. We will restrain ourselves on the question of gender, since we feel confident that you can guess what we think. *SNB*

OUTRAGED

7. To be more specific, we believe we should be aiming for perhaps 10 percent or so of our professional people in rotational assignments at any time. We think it may be necessary to set a quota for each directorate. We believe that there should be the maximum possible number of direct swaps (e.g., two Near East analysts from ORPA traded for two operations officers from NE Division, an OER monetary analyst for a DDO officer with Japanese experience, obvious exchanges between Commo and OTS, OEL and OWI, OSR and NPIC, etc.). The swap arrangement would discourage the propensity to propose for rotation those of limited competence, since each supervisor would realize that you must offer quality if you hope to get quality. The final decision on each rotation should rest with the receiving component. We further suggest that "suitability for rotation" be a heavily-weighted factor in all personnel rating systems and that potential for rotation be a subject supervisors are encouraged to address in fitness reports.

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8. As a corollary, we believe a separate career service (or board with some similar functions) should be established for those on rotation. Rotation must be made both appealing and rewarding. Under current arrangements, it is more likely to be threatening, since parent career services appear inclined to promote those who remain home and discount good fitness reports from outside the parent service. Moreover, rotatees have in the past been more vulnerable to RIFs. The essence of this proposal is that the "Rotatee Career Service" have the power to promote--even over the objections of the parent service--and that it have a strong say in the next assignment of each employee completing a rotational tour. *house*

9. We further believe that the same new board, or yet another to be created, should have responsibility for assignments and promotions of all individuals who have reached the GS-14 level. Obviously, most recommendations for promotion and proposals for reassignment would come from the parent directorate, and the board would simply endorse many of the recommendations. But a board dedicated to a cross-Agency look would be in a position to offer alternative suggestions for some assignments and to weigh all promotion recommendations to GS-15 and beyond against the total needs of the Agency.

10. We also take exception to the notion that OTR should devise a training course for officers designated to fill such positions. Such orientations are clearly the responsibility of the receiving directorate; they should be individually tailored to circumstances. We do think, however, that OTR could contribute by emphasizing in its courses for new employees that they should be thinking about their next assignment from the day they enter and that they should be looking beyond the borders of their initial offices or directorates.

Key Operating Officials

11. We trust that the identification of "key positions" referred to in the minutes of the 20 October EAG meeting is only the first step in the process. Once those positions have been identified, we believe that a move toward bringing the PDP to life should follow. Individuals potentially capable of filling those positions should be identified by name, with suggestions provided by each Deputy, who would be encouraged to submit names from other directorates as well as his/her own. Any nomination should only be considered in light of that list. One side benefit of such an approach would be identification of a list of high potential employees, since certain names would appear on the lists of several Deputies and/or as potentially qualified for a number of positions.

Separation

12. The DDA recommendations (pp. 25-26) begin by suggesting that poor performance should be identified early but go on to say that low potential should not be sufficient basis for identifying employees for possible counseling or separation. A necessary distinction is not made. We believe that low potential should be the single most important criterion.

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for judging employees in their first several years on board. The Agency has a responsibility to new employees, as well as itself and the taxpayers, to identify its hiring mistakes early and help those who do not live up to expectations to find more satisfying futures elsewhere. One problem is the one-year probationary period. One year, under one supervisor, is no test of potential. The first year review should be a serious look for possible mistakes. The possibility of error in either hiring or assignment should be reflected in a transfer to a second assignment. The employee should be told then that a potential problem has been identified and that the change of assignment and supervisor is a deliberate effort to determine whether the problem lies with the employee or with the assignment or supervisor. A re-review should be conducted at the end of two or three years--concurrent with the "future jobs and training" review suggested in Paragraph 5.

13. So far as employees with longer service are concerned, we agree that low potential must not be used as the sole basis for rating employee performance. Many trained, valuable employees are content to remain in grade and in place, contributing greatly to our overall effectiveness. But we do believe that either supervisors or Career Service Boards should be honest with such employees and that they should reflect their convictions in their promotion decisions.

14. The single biggest glitch in the system is the human factor--individuals do not like to tell others to their face that they are not measuring up. They avoid the unpleasantness and pass the problem along to someone else when possible. We are all guilty. But we, as a group, do not believe that the Agency is doing enough to live up to its claims that all its employees are superior. Primarily as a means of forcing supervisors to deal honestly with their subordinates, we wholeheartedly endorse a recent suggestion by the DDS&T Management Advisory Panel that a statement of competitive ranking be included in each fitness report. We would go further, also requiring that the next ranking be communicated to the employee as soon as the new rankings have been compiled. Including rankings in fitness reports should also help to make the attempt to separate (or encourage voluntary departure of) an employee less threatening to the supervisor who tries. At present, it all too often works out that the supervisor is labeled the troublemaker in such a situation. In addition, we feel strongly that each employee should again be made aware of the right to see personnel files and that a consistent policy on this should be enforced throughout the Agency.

15. As part of a program to ease the lot of those who are not fulfilling the Agency's needs, could we work out an agreement with the Civil Service Commission to obtain CSC ratings for at least some of our employees? Several of the "excepted services"--including the Foreign Service, USIA, ACTION, and ERDA--have such arrangements. For CIA, it would be an asset both in attracting personnel--especially clericals, we believe--and in alleviating some of the human problems inherent in any separation out policy.

*BE I SIT
IN WORRY
NOT PREPARE
NOT DO IT
WHY NOT DO IT
EMPLOYEES ALSO.
FOR*

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Encouraging Excellence

16. Rewarding excellence is often seen in terms of "fast-tracking" (p. 10). But the question is really one of differential between excellent and average. What we see happening is rapid promotion for the bulk of the professionals to about the GS-13 level and then a severe bottleneck. This probably means that too many people are being promoted to the 13 or 14 level simply because the grade structure provides "headroom." At that bottleneck, the distress created in co-worker-observers by a "wrong" promotion is many times as great as the pleasure created by a "right" one. Our message here is that the psychological satisfaction of good employees will be enhanced if the promotion process is selective from the beginning and if the propensity to promote everyone as long as there's space can be overcome. A promotion says, "CIA wants you to remain on board." Whether that signal is an accurate one needs to be an explicit judgment faced in every promotion recommendation. In sum, we believe that promotions need to be more competitive all along the way. We believe most of your middle-level employees are not only willing but anxious to see this happen.

17. In regard to promotions, we are somewhat troubled by the suggestion that "career tracks should be developed for substantive and functional specialists that need not force them into managerial responsibilities for advancement" (p. 28) and similar statements in the past. We applaud this suggestion with reservations--reservations that stem in part from the lack of a clear explanation of the reason for the recommendation. The real problem is that we are too often saddled with bad managers who were promoted because they were good analysts, case officers or engineers. We believe that every effort should be made to reduce the number of strictly managerial jobs, by eliminating unnecessary layers and unnecessary creation of subdivisions, and thus to increase the number of non-managerial slots at the higher levels.

18. Our other reservations have to do with the often proposed concept of reserving some number of senior slots for specialists. As we understand "specialist" in this context, the reference is to an individual who wishes to deal with a single subject or a single kind of operation or a single work speciality and who is unwilling or unable to perform in a supervisory role. First, let us say that there should always be room for exceptions to overall policy. But we wonder how protective CIA really needs to be of its specialists. The costs are high. Reduced to the essentials, we are talking about promoting an analyst or case officer to GS-16 in 20 years (more or less) of EOD and thereafter paying \$40,000 a year plus on-duty and retirement benefits (at current rates) for another 10-15 years. The dollar cost during the latter period is in excess of half a million dollars. The personnel cost is denial of promotion to someone who is more flexible in type of occupation and who is willing and able to assume supervisory (read: people-handling) functions.

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19. To be hard-hearted for a paragraph, are these costs necessary? We are at a disadvantage here, because we do not know whether any substantial number of "specialists" have left in recent years because better opportunities were available outside. But we suspect that the market for specialists is little, if any, better outside. Which is to say, we suspect that the Agency can retain its specialists without incurring extraordinary costs.

20. A partial solution may also be found in relaxing or eliminating the Office of Personnel's guidelines for grades. We understand, although we cannot find reference in the report, that the [redacted] team was 25X1A extremely critical of our unnecessary adherence to Civil Service Commission rules, regulations and guidelines of various kinds. Why should it be necessary to give an individual a misleading title and false job description to justify a promotion? Given that an office of division chief has a certain number of each grade to assign, why shouldn't such a chief be allowed to decide which jobs are the most important? We recognize that the whole system reflects the struggle between directorates for slots at various grades, but we do not think the current process is a solution.

21. We believe other changes are possible to facilitate rewarding excellence, especially at the lower levels. We believe that Agency policy of using the even grades for junior professionals has outlived its usefulness. At NPIC, a CIA GS-7 doing a solid job can expect to become a GS-8 in a year; his desk-mate, a DoD GS-7 doing the same solid job, can expect to become a GS-9 in a year. This is wrong.

22. We further believe that supervisors should be encouraged to award Quality Step Increases and that procedures for QSI's should be simplified. This would serve two purposes. It would give us an easy way to reward superior performance. And, it would give us a way to reward that performance in the lower ranks--especially the clerical ones--without promoting employees too rapidly to a position where there is no headroom. At present, despite the regulations, promotions are easier to grant than QSI's in practice, but the short-term solution of granting a promotion can mean the long-term drawback of having used up almost all the rewards and incentives we have to offer certain groups of people.

23. We also need some way to honor superior short-term performance--a purpose for which the QSI is sometimes misused. We do, of course, have certificates of merit. But we should also make much more extensive use of bonus programs, whereby a one-time lump sum payment is awarded for special achievements on a specific project or assignment.

24. As to the DDA's claims (p. 10) that a reasonable amount of fast tracking is occurring, we agree that the 1975 record of 10 percent of promotions to GS-14, 15 and 16 being granted within two years is respectable, in the aggregate. But we are dealing with individual human beings and with separate organizational boxes, not with aggregates. A glance at the table (p. 14) shows that DDA and DDO were less flexible in their practices than

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the other major units. A table at the component level would no doubt show some who have not violated a time-in-grade guideline in the memory of anyone now on board. And it is precisely this capricious and arbitrary treatment, which depends largely on the attitudes of individual supervisors, that leads 35 percent of our employees to judge the promotion system as unfair (p. 33). We need more than another guidance issuance stating that time-in-grade is not a rigid requirement (p. 27). We need to have that message repeated frequently and forcefully by Deputy Directors to supervisors and promotion panels. And we need to have it supplemented with an equally forceful statement that time in grade is also not sufficient grounds for promotion. Indeed, we wonder whether time in grade need be taken into account at all. A promotion decision is a highly personal thing; need it depend on anything other than the capabilities and potential of the person in question?

EEO

25. We are dealing here with deep seated attitudinal problems. We need to face up to the fact that whatever is done, someone will be hurt--blacks, women, etc., who are treated unfairly or the people responsible for the unfair treatment. It should be made abundantly clear now that the EEO performance of each component will be reviewed in depth on a component-by-component basis at the end of the year and that the details of both superior and poor performance will be made public within the Agency. This is, admittedly, a "fight fire with fire" solution. We propose to embarrass some people. It must be done with extreme care, and every effort must be made to avoid singling out poor performance on unfair or inaccurate grounds. The praise must be heaped on at least twice as liberally as the blame. But it is time to get a lot more public and a lot more personal about this issue.

26. In many cases, employees with a complaint or grievance are unsure whether to go to the IG, the EEO Office, or both. As the DDA paper (p. 31) points out, employees do not understand grievance procedures. This is an area in which a Headquarters Bulletin or a letter to employees from the DDCI could do some good. What is needed is a clear, concise paper for all employees that explains in one document all the grievance mechanisms of the EEO office and the IG and explains where they work together and where they are independent.

27. In the EEO area, even more than in others, we are handicapped by our lengthy personnel processing procedures. It is a fact of the 1970's that highly qualified minority applicants are in great demand. We should be making a particular point of looking for such individuals while they have at least a year left in college or graduate school. We should also have procedures for expediting processing of those who are clearly qualified and apparently clearable. There is no obvious reason why we cannot employ such individuals on unclassified projects pending final clearance and even keep them on for a year on such projects in the event that the unexpected clearance problem does crop up.

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28. We should also seek to expand our programs for hiring highly qualified minority applicants while they are still in school--or at the time of high school graduation--and assisting them in their college educations.

29. In sum, we should make every reasonable effort to enlist and retain minority employees whose abilities are patently superior. And we should be willing to take strong action in the case of managers now on board who are unwilling to carry out their responsibilities in this area.

30. With regard to the particular discontent of women pointed out by the DDA (p. 38), there are a number of specific problem areas to be worked out. Women take pregnancy leave. Regulations guarantee them continued employment in a position of like seniority, status and pay. Practice guarantees them only pay. Women accompany their husbands on overseas assignments; upon return, their job rights, if they exist at all, are not clearly defined. Some DDO women in operational support jobs overseas return to find only clerical jobs in headquarters. The average age of women is substantially higher at almost all grades than the average age of men. At the middle and lower grades, women are less likely than men to get "high visibility" opportunities--presumably because there is widespread belief that the women cannot handle the "pressures" involved. To a degree, women compound their own problems; fearing that they are likely to be turned down on the basis of sex, they fail to express their desire for new opportunities and more responsibility.

New EOD's

31. Follow up interviews of all EOD's should be conducted at the end of the first year. However, contrary to the DDA recommendation (pp. 29-30), these should be conducted by the people who rate, assign, and promote--supervisors and Career Service board participants--rather than by the Office of Personnel. There probably is good reason to ask Personnel to coordinate development of a list of common questions to be used by all components, so that certain statistics could be compiled on an Agency-wide basis. But asking Personnel to do the interviewing compounds the existing problem of inadequate involvement of supervisors and Career Services in career development. The comment (p. 23) that "senior directorate personnel officers... reported in general that they had very little direct contact with new employees" is perhaps the most damning statement in the DDA paper.

32. As indicated above, new EOD's should be told early and often about job opportunities throughout the Agency and should be encouraged to begin planning a future. Those who are not proving highly satisfactory in their first assignment should be tried in a second. Training courses should be substantially revamped, so that they are short, relevant, and intellectually challenging. All components should have some sort of formal mechanism for orienting new employees. And the OSI "buddy system" (p. 23) sounds most attractive.

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33. As to the other specific DDA suggestions, our reactions are mixed. We believe that rating supervisors on how well they provide on-the-job training and orientation (p. 29) is worthwhile, though we recognize that it will be a sterile exercise in many cases. We believe better orientation of clericals is desperately needed, but we believe that there should be some formal indoctrination at EOD, rather than simply a training course within two or three months (p. 30). We would encourage some regular process in every component for familiarizing all new clerical employees with formats, procedures, etc. and not simply leaving that to a perhaps inexpert supervisor. (Many supervisors do not know or care how wide the margins should be or how the signature block should look, but some front office secretaries do not now take the time to assume their responsibilities in this regard. They simply return work to be redone, leaving the new clerical frustrated and creating unnecessary distress and insecurity.)

General

34. We have not, of course, addressed all the personnel questions under review by the EAG, but we have tried to comment in some depth on those where we feel we can make a potentially useful input. We would like to close with a few comments that make explicit some of the feelings that may only be implicit in the above.

35. We do not need a lot of elaborate new systems. We need to use those we have or discard them. This applies not only to PDP and ADP--it applies to LOI's, MBO, the lower 3 percent or 5 percent exercises, fitness reports, etc. As human beings, we all have difficulty being honest with one another, particularly where honesty requires examining weaknesses as well as strengths. We must, nevertheless, force ourselves to do it.

36. We think new and different approaches to personnel assessment should be tried. This would include both peer rating and rating of supervisors.

37. The Agency needs to clarify responsibilities for career and personnel management and align responsibility with organization. Specifically, an Office of Personnel subordinate to one Deputy Director cannot develop or implement personnel policy. Yet, there is no need for such basic functions as identifying new recruits, processing forms, and overseeing employee benefits to be elevated to the level of the DDCI. What we would suggest is a small organization (perhaps called the Office of Personnel Policy) reporting directly to you and responsible for:

--performing the Career Service function for rotatees and GS-14s and up;

--doing the same for another group not covered in the DDA paper--those on detail to other agencies;

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- developing or adjusting policy-related personnel systems and ensuring feedback on them;
- facing up to problems of "mix";
- being your eyes and ears in the area of assignment to key positions;
- taking a hard look at PRA practices throughout the Agency; and
- generally concentrating on overseeing such Agency-wide problems as lack of career development planning, inadequacy of quality control, and unevenness of application of various policies and regulations.

We would leave what remains of the Office of Personnel where it is and suggest that the head of the new Office of Personnel Policy (who probably should be recruited from outside) take advantage of his improved bureaucratic position to take a good, hard look at the personnel policies of the directorates, bringing in outside consultants to help.

38. We also sense in much that we have recently heard and read that the faith of top management in OTR far exceeds our own. This is not to say that OTR is staffed with inferior individuals or that it is poorly run. Rather, we are inclined to believe that the concept of a centralized Office of Training ought to be reexamined. Our own personal experiences with OTR courses lead us to the conclusion that they are usually designed to be of use to all and end up spending too long on too little of real importance to the individual student. There is a huge variety of courses available in the outside world--courses that would help bring CIA personnel into increased contact with outsiders and with new ideas. These look expensive--but we doubt that they compare unfavorably with the per-student-day cost of OTR. Certainly we need in-house training, but we would like to see more of it conducted by the components with specific expertise and less of it conducted centrally. Failing any other change, we suggest that every OTR course could probably be shortened at least 25 percent and most could be shortened 50 percent.

39. In closing, we are not a discontented lot. Indeed, we are probably remarkably content, in that we certainly enjoy an unusual luxury in our continuing contact with you and our unusual access to information

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on top management's plans and concerns. But since what we have seen of the advice you are getting through official channels on personnel issues strikes us as terribly bland, we have deliberately chosen to be blunt. Personnel concerns are a source of considerable unhappiness among many of the people for whom you and the DCI are responsible, and we take you at your word that you want us to be straightforward.

25X1A

for

THE MANAGEMENT ADVISORY GROUP

Distribution:

O & 3 - DDCI
1 - MAG

*They have chosen to be blunt -
and that is why they are not too sharp*

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Next 12 Page(s) In Document Exempt

Within the "general" category, the DDO distributes a greater portion of its strength to "administrative general" than any other directorate. However, both the DDO and the DDA must operate facilities overseas, and this is an area in which the overseas proportion is higher than that for the Agency. The DDO devotes 19.3% of its strength to the secretarial subfunction, a share which ranks second only to the DCI area. As mentioned above, the DDO has a relatively large number of employees performing personnel functions. The same pattern is true of the finance function where the DDO has half again as many people involved as the DCI, DDI, and DDS&T combined.

What Does the Mix Reflect

Any effort to change the distribution of personnel must take into account existing constraints. These constraints include, but are not limited to, domestic and overseas inflation, accessibility of information useful to foreign policy-makers, the scope of geographic interest, personnel and budget ceilings, technology, and the number of experienced personnel on hand. For the most part these constraints will persist. Consequently, in order to make people available for new requirements and to increase our effectiveness, we must consider alternatives to the way we do things and the trade-offs we are willing to make.

Changing the personnel configuration inevitably means making hard decisions. With an overall management to labor force ratio of 1:11 it becomes very difficult for the individual manager at the lowest organizational level to consider the loss of one employee; to the manager, it means a 9 to 10 percent loss in the production or effectiveness of the unit.

Nevertheless, the difficult questions must be answered. It is our purpose to raise the obvious as well as difficult questions for policy consideration, affirmation or change.

1. Can we increase our effectiveness by establishing a management to labor ratio lower than 1:11?

The "general" category, as of October 30, 1976, absorbed almost 36% of the agency's strength. Almost 24% of this category is made up of supervisors, who comprise 15% of all the agency's professionals, and in most cases, the most experienced personnel in the agency. The line management statistics are somewhat imprecise, because each unit made its own decision on how to handle supervisors who also handle substantive duties. Nevertheless, based on present statistics, the DDO and DDA ratios are significantly lower than the agency ratio while the DDI and DDS&T are higher and the DCI area is average.

The recent reorganization in the DDI effected a decrease in its supervisory ratio, permitting transfer of experienced analysts from supervisory duties to analysis in an attempt to increase effectiveness in the production program. If the total agency ratio could be decreased from 1:11 to 1:15, almost 400 relatively experienced people could be made available.

A closer look at the inventory reveals great disparity in the ratios of people supervising to those being supervised, sometimes one line manager supervising one or two people and sometimes one manager supervising 25 people. A lower ratio but greater disparity is observed between directorates in overseas operations; abroad, the ratios range from 1:40 in the DDA to 1:20 in the DDS&T to 1:14 in the DDO to 1:5 in the DDI. Setting forth some guidelines as to expected ratios might reduce this disparity and make additional personnel available for operational and substantive responsibilities. Associated with

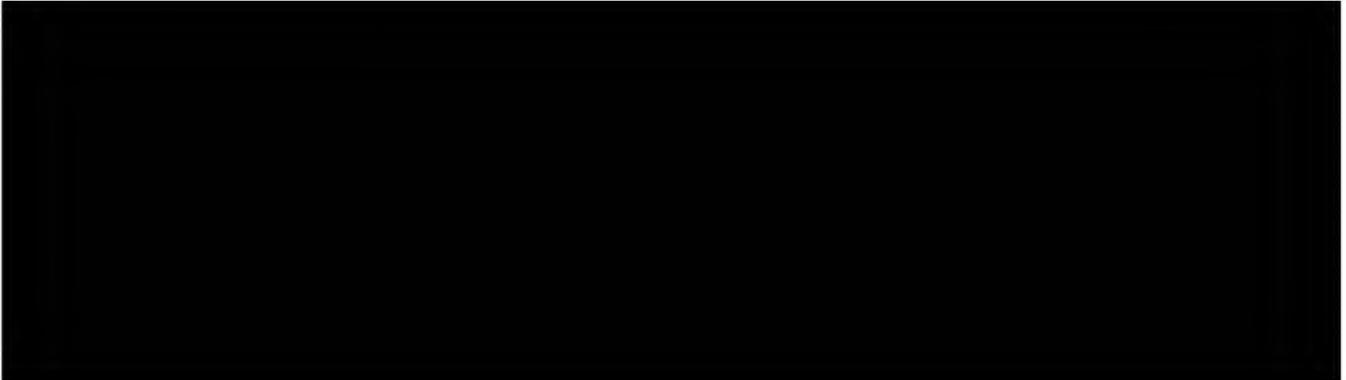
such a policy would be the need to relax or change requirements that personnel at higher GS levels primarily perform supervisory functions, thus enabling the higher grades to be earned for outstanding performance in operational or substantive responsibilities.

2. Can we find a more efficient, less people intensive, way to handle registry functions?

25X1A Altogether, we have [REDACTED] people performing registry work. There is a heavy concentration in the DCI area, because of the Executive Registry, and this share will grow with the reestablishment of the Special Review Staff registry function in the Office of the Legislative Counsel: The DDO has more people performing registry functions than the DDA and DDS&T combined. If the DDO level of effort could be reduced to that typical of the agency as a whole, 20 or so positions would become available. If the function could be streamlined for the entire Agency, the savings would be even greater. This is an area in which a civilian firm specializing in office methods probably could provide valuable consultation assistance.

3. Can we increase our total effectiveness while reducing the secretarial ratio?

25X1A



Even a very small reduction in the secretarial ratio would yield large dividends in available positions. This seems to be an area in which internal solutions are possible. Specifically, we would suggest formation

of a small task force of experienced secretaries, drawn from components with fairly average ratios, to take a look at secretarial practices in those components with the highest and lowest ratios and to prepare some recommendations for improving practices Agency wide.

4. How can expanded DDI data processing requirements be met while maintaining overall Agency capability and effectiveness?

25X1A

25X1A [REDACTED] The DDI's share is expected to rise when computer assistance to analyst files becomes operational, thereby increasing data processing personnel requirements Agency wide. Yet, data processing functions already involve almost as many people as analysis for finished production. If the

25X1A [REDACTED] agency level of ADP effort is to be maintained, ceiling constraints will force a redistribution of data processing people primarily from the DDA and/or the DDS&T. If it is to be increased it will require a redistribution from other functions. The ideal solution would be a transfer, with appropriate retraining, of personnel from the traditional secretarial/clerical functions to semi-professional and professional jobs in the data processing field. Since such a solution also has important implications for upward mobility programs, the Office of Equal Employment Opportunity should begin a systematic investigation of the possibilities.

5. Can we continue to maintain the apparent imbalance among directorates
in the distribution of personnel devoted to personnel management?

25X1A

management functions are within the DDO, suggesting unique and necessarily separate requirements. The DDI, DDS&T, and DCI appear to have a paucity of people devoted to personnel functions yet their combined personnel strength is slightly greater than that of the DDO. Can independent capability be justified for one segment of a compartmented agency when the other four segments are serviced centrally? Or is there a more effective personnel management effort in the DDO than in the other directorates?

The Office of Personnel supposedly has agency-wide responsibility for establishing personnel policy. Yet the directorates and the DCI area combined find it necessary to employ [REDACTED] more than the Office of Personnel, to execute that policy through personnel management and other personnel functions. Even the DDA has found it necessary to rely on a personnel management system external to the Office of Personnel--the DDA has [REDACTED] performing personnel management functions outside the Office of Personnel [REDACTED] This fact [REDACTED] reflects some inadequacy in the present structure as well as overlapping jurisdictions which are probably one source of existing employee confusion and dissatisfaction.

The issue here is one of management as well as personnel positions. One option is to continue living with the apparent overlap. Another is centralization of the personnel policy function in the office of the DDCI. The third is to move consciously to further decentralization--vesting the responsibility formally in the Deputies.

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